

2010 ANNUAL REPORT

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ADAM WALSH ACT

DALE VERNAL CAMPBELL

On July 30, 2010, DALE VERNAL CAMPBELL, a 37-year-old resident of Lame Deer, was sentenced to a term of:

- Prison: 14 months
- Special Assessment: \$100
- Supervised Release: 5 years

CAMPBELL was sentenced in connection with his guilty plea to failure to register as a sexual offender.

In an Offer of Proof filed by Assistant U.S. Attorney Marcia K. Hurd, the government stated it would have proved at trial the following:

In 2001, CAMPBELL was convicted in federal court of felony sexual abuse of a minor for sexually abusing a 14-year-old girl. CAMPBELL was sentenced to 14 months prison followed by supervised release. CAMPBELL had been out on supervised release and reimprisoned several times for violations of the terms and conditions of his release. Based on his conviction, CAMPBELL was required to register as a sexual offender and was informed of that requirement on several occasions. CAMPBELL registered several times while on supervised release. He last registered a Billings address in January of 2009.

In June of 2009, a Yellowstone County Sheriff's Office deputy attempted to verify CAMPBELL's address in Billings, but found that the apartment was vacant. The property manager indicated that CAMPBELL had been evicted in June and his whereabouts were unknown. CAMPBELL was finally located and arrested on the Northern Cheyenne Indian Reservation.

The investigation was a cooperative effort between the Yellowstone County Sheriff's Office and the U.S. Marshals Service.

MARK STEVEN ELK SHOULDER

On March 3, 2010, MARK STEVEN ELK SHOULDER, a 43-year-old resident of Lame Deer/Billings/Bozeman, was sentenced to a term of:

- Prison: 30 months
- Special Assessment: \$100
- Supervised Release: 5 years

ELK SHOULDER was sentenced after having been found guilty during a 1-day trial of failure to register as a sexual offender. Assistant U.S. Attorney Marcia K. Hurd prosecuted the case for the United States.

The investigation was conducted by the U.S. Marshals Service.

ALLON JENKINS

On September 22, 2010, ALLON JENKINS, a 40-year-old resident of Helena, was sentenced to a term of:

- Prison: 27 months
- Special Assessment: \$100
- Supervised Release: 10 years

JENKINS was sentenced after having been found guilty after a trial of failure to register as a sexual offender. Assistant U.S. Attorney Marcia K. Hurd prosecuted the case for the United States.

The investigation was conducted by the U.S. Marshals Service.

CHARLES RUNYAN, JR.

On March 18, 2010, CHARLES RUNYAN, JR., a 33-year-old resident of Havre, was sentenced to a term of:

- Prison: 27 months
- Special Assessment: \$100
- Supervised Release: 5 years

RUNYAN was sentenced after having been found guilty after a bench trial of failure to register as a sexual offender. Assistant U.S. Attorney Rebekah J. French prosecuted the case for the United States.

The investigation was conducted by the U.S. Marshals Service.

CHILD PORNOGRAPHY and COERCION/ENTICEMENT

JOSEPH EMORY ANTHONY

On February 10, 2010, JOSEPH EMORY ANTHONY, a 38-year-old resident of Laurel, was sentenced to a term of:

- Prison: 235 months, consecutive to a state sentence

- Special Assessment: \$100
- Supervised Release: life

ANTHONY was sentenced in connection with his guilty plea to possession of child pornography.

In an Offer of Proof filed by Assistant U.S. Attorney Marcia K. Hurd, the government stated it would have proved at trial the following:

Federal law enforcement agents undertook a nationwide investigation into persons purchasing access to subscription child pornography websites via the Internet. ANTHONY was a purchaser of several child pornography sites, using credit cards in his name but with fictitious addresses. Several law enforcement officers went to ANTHONY'S residence in February of 2008 and spoke with him. ANTHONY denied accessing child pornography sites and denied having a computer.

Further investigation revealed that in fact, ANTHONY did have a computer that was loaned to him by his sister in Nevada. ANTHONY was accessing his neighbor's wireless Internet connection in Laurel to subscribe to child pornography websites. After the visit by law enforcement, ANTHONY sent the computer back to his sister. She found child pornography images on the computer and her husband wiped that computer. ANTHONY also visited his sister and used her credit card and computer to access child pornography websites in Nevada.

ANTHONY'S work computer was also tracked accessing sites. With the consent of ANTHONY'S employer, his work computer was imaged and child pornography found.

On October 6, 2008, when interviewed, ANTHONY admitted that he had had an interest in child pornography for the past two years and that he had accessed child pornography via the Internet.

In December of 1997, ANTHONY had been convicted in Bozeman of sexual assault of a 14-year-old boy. ANTHONY, a Level 2 registered sex offender, received a 70 year sentence, with 40 years suspended, and was subsequently released from Montana State Prison in August 2005. After his release, ANTHONY had been under the supervision of the Montana Department of Corrections, Adult Probation and Parole Bureau. He was living in Laurel and on supervision at the time of the child pornography offenses.

The investigation was conducted by the Federal Bureau of Investigation.

KEITH EDWARD BAROUN

On March 24, 2010, KEITH EDWARD BAROUN, a 34-year-old resident of Billings, was sentenced to a term of:

- Prison: 165 months
- Special Assessment: \$100
- Restitution: parties are to see if they can reach stipulation, otherwise court will order the amount
- Forfeiture: computer equipment
- Supervised Release: lifetime

BAROUN was sentenced in connection with his guilty plea to receipt of child pornography.

In an Offer of Proof filed by Assistant U.S. Attorney Marcia K. Hurd, the government stated it would have proved at trial the following:

Agents with U.S. Immigration and Customs Enforcement were investigating allegations of child pornography access by users utilizing the peer-to-peer file sharing network. One investigation involved an individual in Billings who had child pornography available to share via a file sharing program beginning in 2008. The computer IP address was tracked to BAROUN'S residence in Billings.

On November 7, 2008, a search warrant was served at the residence and BAROUN was questioned. He admitted that he used the peer-to-peer file sharing program Limewire to receive and possess child pornography videos and images. He also admitted burning some of the images to CDs, but claimed that he planned to use those child pornography CDs to implicate a person with whom he worked that he disliked. However, the person had been fired so BAROUN never had to use the disks.

Agents seized various computer equipment and a subsequent forensic examination revealed images and movies of child pornography that BAROUN had received via the Internet during 2007 through 2008 and continued to possess until the equipment was seized. BAROUN possessed images and movies of children clearly prepubescent and children engaged in sadistic or masochistic abuse or other depictions of violence.

The investigation was a cooperative effort between U.S. Immigration and Customs Enforcement, the Federal Bureau of Investigation and the Billings Police Department.

RANDY EARL BLODGETT

On January 11, 2010, RANDY EARL BLODGETT, a 59-year-old resident of Lewistown, was sentenced to a term of:

- Prison: 97 months
- Special Assessment: \$100
- Supervised Release: 5 years

BLODGETT was sentenced in connection with his guilty plea to receipt of child

pornography.

In an Offer of Proof filed by Assistant U.S. Attorney Cyndee L. Peterson, the government stated it would have proved at trial the following:

Agents with U.S. Immigration and Customs Enforcement (ICE) in Great Falls received a peer-to-peer referral regarding a computer IP address in Lewistown which had files previously identified as containing child pornography available for download between December 20, 2008, and January 30, 2009. The IP address was later tracked to BLODGETT.

On January 30, 2009, ICE agents went to BLODGETT'S residence in Lewistown where he was interviewed. BLODGETT admitted to intentionally downloading child pornography. He also admitted he was in the process of downloading videos containing child pornography during the interview. Agents viewed and photographed the computer screen while it was processing the downloads. BLODGETT'S computer was seized.

A forensic examination of the computers revealed 20 files containing video clips of child pornography. Search terms were discovered which were indicative of someone searching for files containing child pornography.

The images were forwarded to the National Center for Missing and Exploited Children and one victim was identified. Many of the images contained pre-pubescent children.

The investigation was a cooperative effort between the by U.S. Immigration and Customs Enforcement and the Lewistown Police Department.

RUSSELL JAMES BRADNEY

On April 9, 2010, RUSSELL JAMES BRADNEY, a 49-year-old resident of Sacramento, California, was sentenced to a term of:

- Prison: 120 months
- Special Assessment: \$200
- Restitution: order to be issued separately
- Forfeiture: computer equipment
- Supervised Release: life

BRADNEY was sentenced after having been found guilty during at trial of distribution of child pornography. Assistant U.S. Attorney Marcia K. Hurd prosecuted the case for the United States.

The investigation was a cooperative effort between the Helena Police Department, the Federal Bureau of Investigation, and the Montana Division of Criminal Investigation.

WILLIAM AUGUST BRAND

On October 8, 2010, WILLIAM AUGUST BRAND, a 35-year-old resident of Butte, was sentenced to a term of:

- Prison: 120 months
- Special Assessment: \$100
- Forfeiture: computer equipment
- Supervised Release: lifetime

BRAND was sentenced after a federal district court trial in which he was found guilty of possession of child pornography. Assistant U.S. Attorney Cyndee L. Peterson prosecuted the case for the United States.

The investigation was a cooperative effort between the Federal Bureau of Investigation and the Montana Division of Criminal Investigation.

JAMES DAVID CNOCKAERT

On March 26, 2010, JAMES DAVID CNOCKAERT, a 54-year-old resident of Virginia, was sentenced to a term of:

- Prison: 36 months
- Special Assessment: \$100
- Forfeiture: laptop computer
- Supervised Release: 10 years

CNOCKAERT was sentenced after having been found guilty of possession of child pornography. Assistant U.S. Attorneys Cyndee L. Peterson and Kris A. McLean prosecuted the case for the United States.

At trial, the government presented evidence of the following:

On May 28, 2008, a detective with the Bozeman Police Department responded to a request for assistance from the Bozeman Daily Chronicle. A Chronicle employee advised that on Saturday, May 17, 2008, she came into the Chronicle advertising office area at approximately 1:00 p.m. She observed CNOCKAERT, the sports editor of the paper, at another employee's cubicle, using someone else's computer. CNOCKAERT stood up quickly, apologized repeatedly when confronted and left the area. She thought the behavior very odd, as CNOCKAERT had no reason to be in that area or to be using that computer.

The employee contacted "I.N." in the Chronicle's IT department. "I.N." instructed her to view the cookies on the computer CNOCKAERT had just vacated. The website names she found were pornographic in nature. Using those website names, she accessed

several of those sites. "I.N." also instructed her to take screen shots of each and save those images. She saw images of female children as young as age 12 with adult males in sexual acts. She saved the screen shots to her personal external hard drive, and when "I.N." came in to work, he had her save them to a CD. "I.N." also burned a copy of the cookie files onto a CD as well. "I.N." removed the computer from the newsroom and from the network shortly after. The information about CNOCKAERT'S computer usage was disclosed to the Chronicle's Managing Editor and to the Chronicle's President and Publisher.

On May 23, the Managing Editor and the Chronicle's President met with CNOCKAERT and told him that the computer had been used to access child pornography. CNOCKAERT responded, "you're kidding." The President confronted CNOCKAERT with the fact that he had been on that computer and asked him to explain. CNOCKAERT responded that he couldn't, and she asked CNOCKAERT why he would be on that computer. CNOCKAERT admitted that he had been, that he "did it" and said "I admit it." CNOCKAERT then reported he had a problem with pornography and apologized, saying he was sorry. CNOCKAERT was terminated from his employment. The seized computer was forensically analyzed by a detective with the Intermountain West Regional computer Forensics Laboratory. Found were in excess of a thousand images of child pornography on that computer in cache and unallocated space. Based upon CNOCKAERT'S activity on the Chronicle's computer, a search warrant for CNOCKAERT'S residence was obtained. Found during the search was a book labeled "Pornography - Slaying the Dragon" and a typed letter to the Chronicle authored by CNOCKAERT. In it, CNOCKAERT apologized for his "Internet activities", noting that it was "beyond stupid" and that he had "no one but [him]self to blame for the situation."

Also seized were several computers and related computer media. The material was also forensically examined. Found on two tower computers was web content containing terms associated with child pornography, including many instances of "lolita", "incest" and "preteen" in the unallocated area which often contains remains of HTML pages. On CNOCKAERT'S laptop, images of child pornography that had been viewed using Earthlink web service were found. Under the "Jim" account on that computer, the default home page is Earthlink's accounts login page. In addition, two of the webpages carved from unallocated space on that computer match two web pages of child pornography that were captured on the computer from the Chronicle. Thumbnail images were also found on the laptop hard drive in a folder labeled "Jim Folder." Those images were copied from a website or from cache. Either way, the forensic examiner testified that user action was required in order to get them to that location on the computer - it was not a result of an automatic computer function.

The images from all the computers were submitted to the National Center for Missing and Exploited Children, who identified 219 of the images as 47 known and identified child pornography series children, many prepubescent.

The investigation was a cooperative effort between the Bozeman Police Department

and the Federal Bureau of Investigation.

DANIEL CHRISTOPHER COBURN

On September 30, 2010, DANIEL CHRISTOPHER COBURN, age 36, formerly of Great Falls, was sentenced to a term of:

- Prison: 80 months, consecutive to a 50-year State sentence for which he is not eligible for parole for 18 years
- Special Assessment: \$100
- Supervised Release: 5 years

COBURN was sentenced in connection with his guilty plea to receipt of child pornography.

In an Offer of Proof filed by Assistant U.S. Attorney Cyndee L. Peterson, the government stated it would have proved at trial the following:

In April of 2009, COBURN was sentenced in state court after having been convicted of two counts of incest. During the incest investigation, COBURN was interviewed and admitted that he had viewed child pornography via the Internet on a computer at his mother's house. After the interview, the computer was seized from his mother's house and forensically analyzed.

A forensic examiner located images depicting child pornography on the computer. Records on the computer indicated several websites depicting child pornography were visited as well as a number of Internet searches which were indicative of someone searching for child pornography. The examination concluded the website browsing for child pornography occurred between April 30, 2008, and July 11, 2008.

The investigation was a cooperative effort between the Great Falls Police Department and the Montana Division of Criminal Investigation.

THOMAS M. ELGERT

On May 6, 2010, THOMAS M. ELGERT, a 67-year-old resident of Hillsdale, New Jersey, was sentenced to a term of:

- Prison: 180 months
- Special Assessment: \$400
- Fine: \$25,000
- Forfeiture: computer equipment
- Supervised Release: life

ELGERT was sentenced in connection with his guilty plea to attempted sexual

exploitation of children and distribution of child pornography.

Assistant U.S. Attorney Marcia K. Hurd is the prosecutor for the United States.

The investigation was a cooperative effort between the Federal Bureau of Investigation, the Helena Police Department, the Montana Division of Criminal Investigation, and U.S. Immigration and Customs Enforcement.

SHAUN MATTHEW HOPKINS

On February 19, 2010, SHAUN MATTHEW HOPKINS, a 30-year-old resident of Billings, was sentenced to a term of:

- Prison: 72 months
- Special Assessment: \$100
- Forfeiture: computer equipment
- Supervised Release: life

HOPKINS was sentenced in connection with his guilty plea to receipt of child pornography.

In an Offer of Proof filed by Assistant U.S. Attorney Marcia K. Hurd, the government stated it would have proved at trial the following:

On December 21, 2007, law enforcement in Seattle, Washington received a disk which contained "Hello" files, which as part of another investigation, had been extracted from a computer. Google Hello is an Internet program which allows individuals to establish direct connections (peer-to-peer) between computers for the specific purpose of sharing pictures and chats. The Hello files identified approximately 85 individuals world-wide who had recently communicated about and exchanged child pornography with an individual in Florida.

A chat log was found which contained dialogue regarding the sexual exploitation of children, as well as the distribution and receipt of child pornography. The chat log contained thumbnail images of child pornography which had been exchanged during a chat on November 23, 2007, between HOPKINS in Montana and the individual in Florida. At the end of the chat there were 388 thumbnail images which had been exchanged during the conversation. Analysis of the chat log revealed HOPKINS had sent 190 images to the other individual in Florida. The same individual had sent 198 images to HOPKINS.

A substantial majority of images exchanged during the chat conversation depict prepubescent females in posed, sexually explicit positions wherein their genitalia was exposed in a lewd and lascivious manner. Other images depict sexual contact between minor females. HOPKINS knew that at least one of the individuals engaged in sexually

explicit conduct was a minor.

The investigation was conducted by the Federal Bureau of Investigation.

ROBERT JAMES LAWTON

On February 4, 2010, ROBERT JAMES LAWTON, a 53-year-old resident of Bozeman, was sentenced to a term of:

- Prison: 72 months
- Special Assessment: \$200
- Forfeiture: computer equipment
- Supervised Release: 15 years

LAWTON was sentenced in connection with his guilty plea to receipt and possession of child pornography.

In an Offer of Proof filed by Assistant U.S. Attorney Marcia K. Hurd, the government stated it would have proved at trial the following:

Agents with U.S. Immigration and Customs Enforcement were investigating allegations of child pornography access by users utilizing the peer-to-peer file sharing network. One investigation involved a person in Bozeman who had child pornography available to share via a file sharing program beginning in 2008. The computer IP address was tracked to LAWTON'S residence in Bozeman.

On January 27, 2009, a search warrant was served at the residence. When questioned, LAWTON admitted that he used the peer-to-peer file sharing program Limewire to receive and possess child pornography videos and images. Agents seized various computer equipment and a subsequent forensic examination revealed images and movies of child pornography that LAWTON had received via the Internet from approximately 2005 through 2009 and still possessed on January 27, 2009, when the items were seized. LAWTON possessed images and movies of children clearly prepubescent and children engaged in sadistic or masochistic abuse or other depictions of violence.

The investigation was a cooperative effort between the Federal Bureau of Investigation, the Helena Police Department, U.S. Immigration and Customs Enforcement and the Montana Division of Criminal Investigation.

KEITH CHRISTOPHER MADSEN

On March 23, 2010, KEITH CHRISTOPHER MADSEN, a 27-year-old resident of Helena, was sentenced to a term of:

- Prison: 24 months
- Special Assessment: \$100
- Forfeiture: Ipod
- Supervised Release: 10 years

MADSEN was sentenced in connection with his guilty plea to possession of child pornography.

In an Offer of Proof filed by Assistant U.S. Attorney Marcia K. Hurd, the government stated it would have proved at trial the following:

In May of 2009, law enforcement agents for the Department of Veterans Affairs (VA) were searching for any possible VA computer users who might be inappropriately using their computers to access the Internet for child pornography. One IP address was identified as being a user who was searching for and downloading child pornography images via his VA work computer and the Internet. The individual was later identified as MADSEN of Helena's VA Montana Healthcare System.

On June 2, 2009, MADSEN'S VA work computer was seized. A forensic examination of the computer found images of child pornography. When questioned, MADSEN admitted that he had been receiving and possessing child pornography via the Internet, his VA work computer, and his personal Ipod. He gave the officers consent to search the Ipod and more images of child pornography were found.

MADSEN possessed numerous images, including images of children clearly prepubescent and children engaged in sadistic or masochistic conduct or other depictions of violence.

The investigation was a cooperative effort between the Helena Police Department and the Department of Veterans Affairs - Office of Inspector General.

CORY DANIEL MARTINEZ

On February 5, 2010, CORY DANIEL MARTINEZ, a 26-year-old resident of Dillon, was sentenced to a term of:

- Prison: 24 months
- Special Assessment: \$100
- Forfeiture: laptop computer
- Supervised Release: 10 years

MARTINEZ was sentenced in connection with his guilty plea to possession of child pornography.

In an Offer of Proof filed by Assistant U.S. Attorney Cyndee L. Peterson, the

government stated it would have proved at trial the following:

On October 21, 2008, law enforcement seized a laptop computer from MARTINEZ' residence pursuant to a search warrant. The laptop was forensically analyzed and files portraying child pornography were located.

An FBI agent reviewed the images and determined there were 34 files of suspected child pornography (17 images files and 17 video files). The files depicted oral sex between minors, oral sex between an adult and a minor, penetration of a minor by an adult male, minors engaged in acts of masturbation, and minors in lascivious poses. One image depicted child bondage. Approximately 50% of the 34 files appeared to depict prepubescent minors.

When interviewed, MARTINEZ admitted to downloading and viewing child pornography. He said he started looking at pornographic images of young girls in July 2005.

The investigation was a cooperative effort between the Federal Bureau of Investigation and the Montana Division of Criminal Investigation.

DAVID ALLEN McQUEEN

On June 24, 2010, DAVID ALLEN McQUEEN, a 24-year-old resident of Great Falls, was sentenced to a term of:

- Prison: 72 months
- Special Assessment: \$100
- Supervised Release: 5 years

McQUEEN was sentenced in connection with his guilty plea to possession of child pornography.

In an Offer of Proof filed by Assistant U.S. Attorney Cyndee L. Peterson, the government stated it would have proved at trial the following:

After U.S. Immigration and Customs Enforcement (ICE) agents in Great Falls received a referral from the Internet Crimes Against Children Task Force, the agents obtained a search warrant for McQUEEN's residence in Great Falls.

On March 30, 2009, agents served the search warrant at McQUEEN's residence. A witness identified McQUEEN's computer and disclosed that no one else used that computer.

Later that day, McQUEEN was interviewed and acknowledged he was the only user of his computer and gave the agents the password.

The computer was forensically analyzed and files containing child pornography videos were located. The files were all saved to the hard drive on McQUEEN's computer. The earliest creation date was November 15, 2008, and the most recent created date was January 5, 2009. The forensic examiner located additional evidence which showed the videos were downloaded over the Internet via Limewire, and located Limewire search terms indicative of one searching for child pornography.

The investigation was conducted by the U.S. Immigration and Customs Enforcement.

DONALD JOHN MULLEN

On April 15, 2010, DONALD JOHN MULLEN, a 21-year-old resident of Miles City, was sentenced to a term of:

- Prison: 97 months
- Special Assessment: \$100
- Supervised Release: life

MULLEN was sentenced in connection with his guilty plea to receipt of child pornography.

In an Offer of Proof filed by Assistant U.S. Attorney Marcia Hurd, the government stated it would have proved at trial the following:

U.S. Immigration and Customs Enforcement (ICE) agents were investigating allegations of child pornography access by users utilizing the peer-to-peer file sharing network. One investigation involved a person in Corvallis who had child pornography available to share via a file sharing program beginning in May 2008. An agent with the Wyoming Internet Crimes Against Children Task Force downloaded numerous images of child pornography from that computer. After a search warrant was served on the residence and the computer seized, agents determined that the resident's grandson, MULLEN, had used the computer and was now living in Miles City. Agents then determined MULLEN's computer IP address in Miles City and using the peer-to-peer file sharing program Limewire, agents established a direct connection with his IP address on several occasions and attempted to download several apparent child pornography files.

On May 8, 2009, agents obtained a federal search warrant on MULLEN's residence in Miles City and seized his computer equipment. A subsequent forensic examination revealed hundreds of images and movies of child pornography that MULLEN had received via the Internet during 2008 and continued to possess until the equipment was seized. MULLEN had images and movies of children clearly prepubescent and children engaged in sadistic or masochistic abuse or other depictions of violence.

The investigation was conducted by the Federal Bureau of Investigation.

DEAN FREDERICK NELSON

On August 25, 2010, DEAN FREDERICK NELSON, a 33-year-old resident of Billings, was sentenced to a term of:

- Prison: 60 months
- Special Assessment: \$100
- Forfeiture: computer equipment
- Supervised Release: life

NELSON was sentenced in connection with his guilty plea to receipt of child pornography.

In an Offer of Proof filed by Assistant U.S. Attorney Marcia K. Hurd, the government stated it would have proved at trial the following:

Federal Bureau of Investigation agents were investigating allegations of child pornography access by users utilizing the peer-to-peer file sharing network. One investigation involved an individual in Billings who had child pornography available via a file sharing program beginning in 2009. Subsequent investigation revealed the individual was NELSON. A federal search warrant was served on NELSON's residence in Billings on August 14, 2009.

When questioned, NELSON admitted that he used the peer-to-peer file sharing programs but when questioned whether he had done so to receive child pornography, he invoked his right to an attorney. Agents seized various computer equipment at NELSON's residence. A subsequent forensic examination revealed hundreds of images and movies of child pornography that NELSON had received via the Internet during 2009 and continued to possess until the equipment was seized. NELSON possessed homosexual child pornography images and movies of children clearly prepubescent and children engaged in sadistic or masochistic abuse or other depictions of violence.

The investigation was conducted by the Federal Bureau of Investigation.

IAN ARTHUR PHILLIPS

On September 23, 2010, IAN ARTHUR PHILLIPS, a 22-year-old resident of Bozeman, was sentenced to a term of:

- Prison: 60 months
- Special Assessment: \$100
- Supervised Release: 10 years

PHILLIPS was sentenced in connection with his guilty plea to receipt of child

pornography.

In an Offer of Proof filed by Assistant U.S. Attorney Marcia K. Hurd, the government stated it would have proved at trial the following:

Agents with U.S. Immigration and Customs Enforcement were investigating allegations of child pornography access by users utilizing the peer-to-peer file sharing network. One investigation involved a person in Bozeman, later identified as PHILLIPS, who had child pornography via a file sharing program available to share beginning in 2009.

When questioned by law enforcement, PHILLIPS admitted that he used the peer-to-peer file sharing program Limewire to receive and possess hundreds of child pornography videos and images. He detailed the search terms he used to find child pornography on Limewire and how he saved it to various computers.

A forensic examination of computer equipment seized at PHILLIPS' residence revealed hundreds of images and movies of child pornography that PHILLIPS had received via the Internet during 2008 and continued to possess until the equipment was seized. PHILLIPS received images and movies of children clearly prepubescent and children engaged in sadistic or masochistic abuse or other depictions of violence.

The investigation was a cooperative effort between the Gallatin County Sheriff's Office and U.S. Homeland Security Investigations.

ANDREW DAVID RICE

On October 18, 2010, ANDREW DAVID RICE, a 24-year-old resident of Geraldine, was sentenced to a term of:

- Prison: 108 months
- Special Assessment: \$100
- Supervised Release: 5 years

RICE was sentenced in connection with his guilty plea to viewing child pornography. Assistant U.S. Attorney Michael S. Lahr prosecuted the case for the United States.

The investigation was conducted by U.S. Immigration and Customs Enforcement.

ANTHONY SCOTT RICHARDS

On February 11, 2010, ANTHONY SCOTT RICHARDS, a 34-year-old resident of Rumford, Maine, was sentenced to a term of:

- Prison: 168 months
- Special Assessment: \$200

- Forfeiture: computer equipment
- Supervised Release: life

RICHARDS was sentenced in connection with his guilty plea to distribution of child pornography.

In an Offer of Proof filed by Assistant U.S. Attorney Marcia K. Hurd, the government stated it would have proved at trial the following:

On December 4, 2008, a detective with the Montana Internet Crimes Against Children (ICAC) Task Force was utilizing the assumed identity of a child pornographer (hereafter referred to as "John Doe") who had been actively trading child pornography with other individuals. "John Doe" had already been arrested and allowed agents to assume his identity.

The detective sent generic off-line messages via Yahoo! Instant Messenger (IM) to all of "John Doe's" contact list, which included "Mainebim4u," to see if anyone would respond. The detective, posing as "John Doe," received several off-line messages from Yahoo! during the course of a chat on February 10, 2009, including "Mainebim4u" who sent pictures of child pornography to the detective. "Mainebim4u" was later identified as Anthony Scott Richards of Maine.

RICHARDS asked the detective if he had any "good pictures" from an individual who was actually an undercover agent, who had been posing as a single female with two minor daughters. The detective indicated to RICHARDS that there were four photographs, depicting the two minor daughters naked. RICHARDS expressed interest in obtaining sexually explicit photographs of the two minor daughters and expressed interest in talking with the individual, who was actually an undercover agent posing as a woman with two minor daughters. The detective provided RICHARDS with the undercover agent's profile information.

RICHARDS contacted the undercover agent on March 5, 2009, and sent him a picture of child pornography.

On March 31, 2009, the Montana detective and several Maine law enforcement officers went to RICHARDS' address in Rumford, Maine. The detective physically identified RICHARDS by name and date of birth at that address. RICHARDS confirmed he was the sole user of the Yahoo! screen name "mainebim4u," admitted to corresponding with "John Doe's" screen name, and admitted sending images of child pornography via the computer and the Internet.

The investigation was a cooperative effort between the Federal Bureau of Investigation, the Helena Police Department, the Montana Division of Criminal Investigation, and members of the Maine Computer Crimes Unit.

JOSEPH EDWARD SCHIEFFER

On January 27, 2010, JOSEPH EDWARD SCHIEFFER, a 52-year-old resident of Sidney, was sentenced to a term of:

- Prison: 97 months
- Special Assessment: \$100
- Restitution: \$3,000
- Supervised Release: life

SCHIEFFER was sentenced in connection with his guilty plea to receipt of child pornography.

In an Offer of Proof filed by Assistant U.S. Attorney Marcia K. Hurd, the government stated it would have proved at trial the following:

Agents with the U.S. Immigration and Customs Enforcement were investigating allegations of child pornography access by users utilizing the peer-to-peer file sharing network.

In 2008, one investigation was tracked to SCHIEFFER'S computer IP address at his residence in Sidney. A search warrant was served on SCHIEFFER at his residence on July 3, 2008.

SCHIEFFER was at the residence when the agents arrived. Agents informed SCHIEFFER they were there about child pornography, to which SCHIEFFER replied, "I've got that!" When questioned, SCHIEFFER admitted that he used the peer-to-peer file sharing program Limewire to receive and possess hundreds of child pornography videos and images. He reported that in his mind, it was not about the pornography, it was about the collection itself, as he is obsessive-compulsive.

Agents seized SCHIEFFER'S computer equipment and a forensic examination found hundreds of images and movies of child pornography that SCHIEFFER had received via the Internet during 1999 through 2008 and continued to possess until the equipment was seized. SCHIEFFER possessed images and movies of children clearly prepubescent and children engaged in sadistic or masochistic abuse or other depictions of violence.

The investigation was conducted by the U.S. Immigration and Customs Enforcement.

ALEJANDRO ARTURO SCHOLZ

On December 2, 2010, ALEJANDRO ARTURO SCHOLZ, a 35-year-old resident of Helena, was sentenced to a term of:

- Prison: 210 months
- Special Assessment: \$100 per count
- Forfeiture: computer, CDs, book, and maps
- Supervised Release: Life

SCHOLZ was sentenced in connection with his guilty plea to sexual exploitation of children, receipt of child pornography, and possession of child pornography.

In an Offer of Proof filed by Assistant U.S. Attorney Marcia K. Hurd, the government stated it would have proved at trial the following:

The Helena Police Department and the Federal Bureau of Investigation were investigating allegations of child pornography access by users utilizing a peer-to-peer file sharing network. One investigation involved a person in Helena who had child pornography available to share via a file sharing program beginning in 2010.

A search warrant for SCHOLZ's residence in Helena which was served on May 18, 2010. Several items were seized, including a computer, CD's and a hollowed-out book containing CD's. Forensic examination revealed that one of SCHOLZ's CD's contained sexually explicit images that SCHOLZ produced of himself and a then 13-year-old girl. Those images were produced on various dates in 2006 in Helena. The child, name not disclosed to protect her privacy, has been positively identified. SCHOLZ used, persuaded, induced, enticed or coerced the child into engaging in or had the child assist him in engaging in sexually explicit activity for the purpose of producing a visual depiction of that conduct.

Further forensic analysis found numerous images of child pornography on SCHOLZ's computer and related media that he received via the Internet from approximately 2005 through 2009. SCHOLZ saved that material, as well as the child pornography images above that he produced.

SCHOLZ also possessed images and movies of children clearly prepubescent and children engaged in sadistic or masochistic abuse or other depictions of violence.

The investigation was a cooperative effort between the Helena Police Department, the Federal Bureau of Investigation, U.S. Homeland Security Investigations, and the Montana Division of Criminal Investigation.

SCOTT ZEAN SHIGLEY

On April 22, 2010, SCOTT ZEAN SHIGLEY, a 59-year-old resident of Great Falls, was sentenced to a term of:

- Prison: 72 months
- Special Assessment: \$200

- Forfeiture: computer and printer
- Supervised Release: 10 years

SHIGLEY was sentenced in connection with his guilty plea to viewing and possession of child pornography.

On March 23, 2009, U.S. Immigration and Customs Enforcement agents received a referral indicating a person observed child pornography on SHIGLEY's computer at his residence in Great Falls.

On the same date, an agent interviewed SHIGLEY at his residence. SHIGLEY admitted that he viewed sexually explicit child pornographic images online. He said he used the search term: "little girl models." SHIGLEY stated that he printed out several pictures, which he gave to the agents.

A forensic examination of SHIGLEY's computer and printer revealed over 200 suspected child pornography images in temporary Internet files and deleted temporary Internet files. The images were dated between March 16, 2009, and March 23, 2009. The examiner also located evidence of Internet activity which focused on incest, preteens and/or teen modeling including the search term: "little girl models".

Some of the printed images were child pornography in that they depicted minor girls engaged in sexually explicit conduct, namely the lascivious exhibition of their genitals or pubic area.

The investigation was conducted by U.S. Immigration and Customs Enforcement.

ANDREW SWAGER

On May 12, 2010, ANDREW SWAGER, a 43-year-old resident of Helena, was sentenced to a term of:

- Prison: 60 months
- Special Assessment: \$100
- Forfeiture: computer
- Supervised Release: lifetime

SWAGER was sentenced after having been found guilty at trial of receipt of child pornography. Assistant U.S. Attorney Cyndee L. Peterson prosecuted the case for the United States.

The investigation was a cooperative effort between the Helena Police Department and the Montana Division of Criminal Investigation.

CASEY JOHN VERVICK

On July 22, 2010, CASEY JOHN VERVICK, a 31-year-old resident of Missoula, was sentenced to a term of:

- Prison: 66 months
- Special Assessment: \$100
- Supervised Release: 10 years

VERVICK was sentenced in connection with his guilty plea to receipt of child pornography.

In an Offer of Proof filed by Assistant U.S. Attorney Cyndee L. Peterson, the government stated it would have proved at trial the following:

The Missoula County Sheriff's Office received a referral regarding a computer in Missoula County having child pornography files available. A detective obtained a search warrant for VERVICK's residence in Missoula and seized a computer from that residence on June 25, 2009.

A forensic examiner determined the computer contained 34 files of child pornography videos. Some of the child pornography videos portray pre-pubescent children and violence. The videos were received/downloaded via the Internet to that computer between May 26, 2009, and June 17, 2009.

During the search, VERVICK was interviewed and admitted to downloading and viewing files containing child pornography. He told the detectives the search terms he utilized to find the child pornography videos on LimeWire (a file sharing program).

The investigation was a cooperative effort between the Missoula County Sheriff's Office, the Missoula Police Department and the Montana Division of Criminal Investigation.

RYAN CHRISTOPHER WHITE

On April 15, 2010, RYAN CHRISTOPHER WHITE, a 22-year-old resident of Billings, was sentenced to a term of:

- Prison: 148 months, consecutive to a state court sentence
- Special Assessment: \$100
- Supervised Release: 25 years

WHITE was sentenced in connection with his guilty plea to possession of child pornography.

In an Offer of Proof filed by Assistant U.S. Attorney Marcia K. Hurd, the government stated it would have proved at trial the following:

In 2006, at age 18, WHITE was convicted in Plentywood of sexual intercourse without consent for having sex with a 13-year-old girl and a 15-year-old girl. WHITE, a Level 2 registered sex offender, received a suspended sentence and was on supervision with the Department of Corrections in Billings.

On September 23, 2009, when confronted by his probation officer regarding a threatening text message he had sent to another person, WHITE admitted that he had pornographic images on his cellular telephone. Found were 34 images of child pornography, including images of toddlers and infants and children engaged in sexually explicit conduct and in sexual activity with adult males. The images traveled in interstate or foreign commerce via the Internet and/or cellular telephone.

The investigation was a cooperative effort between the Billings Police Department, the Montana Department of Corrections and the Federal Bureau of Investigation's Regional Computer Forensic Lab.

DAVID COLTER WILES

On July 20, 2010, DAVID COLTER WILES, a 27-year-old resident of Missoula, was sentenced to a term of:

- Prison: 480 months
- Special Assessment: \$100
- Supervised Release: life

WILES was sentenced in connection with his guilty plea to receipt of child pornography.

In an Offer of Proof filed by Assistant U.S. Attorney Cyndee L. Peterson, the government stated it would have proved at trial the following:

In 2007, WILES was on state probation. On September 29, 2007, he was arrested for violating the rules of probation. In October 2007 (shortly after his arrest), WILES' roommate pawned a laptop computer in Missoula which had been leased by WILES. The pawned laptop computer was analyzed and contained child pornography.

During the investigation, law enforcement determined WILES previously possessed a different computer, a desktop, which had been returned to a rent-to-own business in Missoula, in exchange for the laptop computer. He rented the desktop on September 7, 2007. The desktop computer was analyzed and contained child pornography.

During an interview with law enforcement, WILES admitted he downloaded child pornography files at local establishments that provided free Internet access. WILES

disclosed some of his search terms which were indicative of child pornography. He admitted he was sexually attracted to male and female children ages six to ten, and was sexually aroused when he viewed the child pornography. WILES indicated he had received approximately 7-1,500 child pornography images but stated he would often erase the files after he viewed them so his probation officer would not find them.

A forensic analysis of the desktop and laptop computers revealed 21 video files depicting child pornography.

The investigation was a cooperative effort between the Federal Bureau of Investigation, the Missoula Police Department and Adult Probation and Parole.

JOSEF DAVID WILLIAMS

On February 8, 2010, JOSEF DAVID WILLIAMS, a 26-year-old resident of Greeley, Colorado, was sentenced to a term of:

- Prison: 120 months
- Special Assessment: \$100
- Forfeiture: computer equipment
- Supervised Release: life

WILLIAMS was sentenced in connection with his guilty plea to possession of child pornography.

In an Offer of Proof filed by Assistant U.S. Attorney Cyndee L. Peterson, the government stated it would have proved at trial the following:

U.S. Immigration and Customs Enforcement (ICE) agents determined that an IP address had child pornography files available for download between March 13 and March 17, 2008. Agents determined the IP address subscriber resided in Great Falls. When they interviewed the female at the residence tied to the IP address, she indicated WILLIAMS was in the U.S. Army and had been on leave from Iraq during that time frame and staying at her home. She said he used his own laptop to download music via the Internet and Limewire to be transferred to his iPod.

An ICE agent contacted the U.S. Army, and the Army confiscated WILLIAMS' laptop, iPod and one external harddrive in Iraq. The Army CID laboratory examined the items and discovered child pornography on WILLIAMS' laptop. Approximately 140 image files and one movie file portraying children posed in a lewd or lascivious manner or engaged in sexual activity were located.

Remnants of the Limewire file sharing program were located on the laptop. Incomplete download log entries of file names indicative of child pornography were located. The Internet Explorer history on the laptop was also examined and disclosed filepaths and

websites with names indicative of one searching for child pornography. The iTunes music library also listed files names indicative of child pornography files.

During an interview in July 2008, WILLIAMS admitted he utilized Limewire in March 2008 while visiting his wife and mother-in-law.

The investigation was conducted by U.S. Immigration and Customs Enforcement.

WILLIAM VERNON WILLIAMS

On March 26, 2010, WILLIAM VERNON WILLIAMS, a 36-year-old resident of Missoula, was sentenced to a term of:

- Prison: 180 months
- Special Assessment: \$100
- Supervised Release: lifetime

WILLIAMS was sentenced in connection with his guilty plea to receipt of child pornography.

In an Offer of Proof filed by Assistant U.S. Attorney Cyndee L. Peterson, the government stated it would have proved at trial the following:

On January 11, 2008, a rent-to-own business in Missoula contacted WILLIAMS' probation officer. The business had located child pornography on a computer leased by WILLIAMS. When law enforcement went to the business to seize the computer, they determined WILLIAMS had a second computer. Probation officers went to WILLIAMS' residence, arrested WILLIAMS for violating his probation, and seized the second computer.

When interviewed, WILLIAMS admitted to renting the computers and to downloading child pornography. WILLIAMS said he is sexually attracted to 9-16-year-old girls and fantasizes about having sex with them. WILLIAMS said he was most attracted to the child pornography files that involved the rape of children or bondage.

Rental paperwork indicated WILLIAMS rented the first computer on December 22, 2007, and the second computer on January 3, 2008.

The computers were forensically analyzed and thirty-two image files depicting child pornography and eleven videos were found on the computers. Some of the images portrayed prepubescent girls and boys. Limewire search terms "childporn adult" and "incest" were located. The internet browser history showed WILLIAMS visited the websites: ".brutal.teens-raped.com", "top.homeincestvideos.net", and "incestmovies.org". The examiner also located five Google search results pages which shows the search terms used as: nude photos of preteen girls; nude photos of incest;

and shows “the best” paid websites for forced sex/rape.

The investigation was a cooperative effort between the Federal Bureau of Investigation, the Missoula Police Department and the Montana Department of Corrections - Adult Probation and Parole.

RAYNE ALLEN WOLERY

On March 11, 2010, RAYNE ALLEN WOLERY, a 30-year-old resident of Belgrade, was sentenced to a term of:

- Prison: 180 months
- Special Assessment: \$100
- Supervised Release: 10 years
- Forfeiture: computer and cell phone

WOLERY was sentenced in connection with his guilty plea to attempted sexual exploitation of children.

In an Offer of Proof filed by Assistant U.S. Attorney Marcia K. Hurd, the government stated it would have proved at trial the following:

In June of 2009, a Montana mother contacted law enforcement with concerns that WOLERY, age 30, had been corresponding with her daughter via Facebook. WOLERY had met the 14-year-old girl briefly in a chance encounter at a marina near Helena, then looked her up on Facebook and contacted her. WOLERY’S conversations quickly turned sexual and law enforcement became involved. With permission, law enforcement in Helena took over the girl’s identity and WOLERY continued the contact via computer and the Internet. In the ensuing conversations, WOLERY sent the “girl” pictures of his naked penis and asked her to show them to another of her friends. In addition, WOLERY instructed the “girl” and her friend to take sexually explicit photographs of themselves and send them to him via the Internet.

WOLERY was arrested and a search warrant was served on his residence in Belgrade. Seized were a desktop computer and Nokia phone that WOLERY had used to communicate with the “girl.”

When questioned, WOLERY admitted sending the pictures of himself, which are obscene because he believed he was sending them to a 14-year-old girl and her 14-year-old friend. He also admitted that he directed the two “girls” to take sexually explicit pictures of themselves and send them to him via the Internet. He could not open the corrupt files that were actually sent by law enforcement in response to his request.

The investigation was a cooperative effort between the Federal Bureau of Investigation, U.S. Immigration and Customs Enforcement, and Montana Division of Criminal

Investigation.

DRUGS

GILBERTO ACEVEDO and MAURISIO RAMIREZ (ACEVEDO & RAMIREZ)

On June 16, 2010, GILBERTO ACEVEDO, age 32, and MAURISIO RAMIREZ, age 30, residents of Wenatchee, Washington, were sentenced.

ACEVEDO was sentenced to a term of:

- Prison: 121 months
- Special Assessment: \$300
- Supervised Release: 4 years

RAMIREZ was sentenced to a term of:

- Prison: 110 months
- Special Assessment: \$100
- Supervised Release: 5 years

They were sentenced after having been found guilty during a 4-day trial of possession with the intent to distribute cocaine and distribution of cocaine. Assistant U.S. Attorney Joseph E. Thaggard prosecuted the case for the United States.

The investigation was conducted by the Drug Enforcement Administration.

ANTONIO ALATORRE

On March 4, 2010, ANTONIO ALATORRE, a 33-year-old resident of Billings, was sentenced to a term of:

- Prison: 80 months
- Special Assessment: \$100
- Supervised Release: 4 years

ALATORRE was sentenced in connection with his guilty plea to conspiracy to possess with intent to distribute and distribute methamphetamine.

In an Offer of Proof filed by Assistant U.S. Attorney James E. Seykora, the government stated it would have proved at trial the following:

ALATORRE had been involved in a conspiracy with several other individuals to possess

with the intent to distribute methamphetamine and distribution of methamphetamine.

The investigation was conducted by the Federal Bureau of Investigation's Big Sky Safe Streets Task Force, which includes the Billings Police Department and the Yellowstone County Sheriff's Office.

JAMIE ADY ALATORRE

On March 4, 2010, JAMIE ADY ALATORRE, a 31-year-old resident of Billings, was sentenced to a term of:

- Prison: 90 months
- Special Assessment: \$100
- Supervised Release: 6 years

ALATORRE was sentenced in connection with his guilty plea to possession with intent to distribute methamphetamine.

In an Offer of Proof filed by Assistant U.S. Attorney James E. Seykora, the government stated it would have proved at trial the following:

In late summer or early fall of 2008, the Big Sky Safe Streets Task Force was investigating allegations of methamphetamine possession and distribution occurring at 511 ½ North 30th in Billings, Montana. That house was being leased by JAMIE ALATORRE a/k/a Jamie Ady. Jamie and her husband, Antonio Alatorre, resided at the residence.

During the investigation, a person who is identified as J.O. was interviewed by Special Agent Adam Vandebosch of the F.B.I. During the interview, J.O. stated that he/she observed JAMIE ALATORRE in possession of approximately 21 grams of methamphetamine, a Schedule II controlled substance.

Law enforcement officers would testify that 21 grams of methamphetamine is greater than what would be considered personal use and in their experience, this amount would be for redistribution.

The United States would also call other persons that were in the home at 511 ½ North 30th who would testify that JAMIE ALATORRE distributed methamphetamine or assisted in its distribution during this time period.

The investigation was conducted by the Federal Bureau of Investigation's Big Sky Safe Streets Task Force, which includes the Billings Police Department and the Yellowstone County Sheriff's Office.

DOMINGO BAEZ

On June 23, 2010, DOMINGO BAEZ, a 40-year-old resident of Billings/Chicago, was sentenced to a term of:

- Prison: 180 months
- Special Assessment: \$300
- Supervised Release: 8 years

BAEZ was sentenced after having been found guilty during a 4-day trial of conspiracy to possess with the intent to distribute cocaine, possession with the intent to distribute cocaine and distribution of cocaine. Assistant U.S. Attorney Joseph E Thaggard prosecuted the case for the United States.

The investigation was a cooperative effort between the Drug Enforcement Administration and the Montana Division of Criminal Investigation.

ATHENA CANDACE BEAUMONT

On February 4, 2010, ATHENA CANDACE BEAUMONT, a 28-year-old resident of Billings, was sentenced to a term of:

- Prison: 27 months
- Special Assessment: \$100
- Supervised Release: 4 years

BEAUMONT was sentenced in connection with her guilty plea to conspiracy to possess with the intent to distribute and distribute cocaine.

In an Offer of Proof filed by Assistant U.S. Attorney James E. Seykora, the government stated it would have proved at trial the following:

From late summer of 2008 to June of 2009, BEAUMONT was involved in a conspiracy to possess with the intent to distribute and distribute cocaine, a Schedule II controlled substance. BEAUMONT would receive cocaine from her source of supply, Shon Flores, and distribute the same to R.R. R.R. in turn would distribute cocaine to various individuals, including an undercover detective on at least 25 occasions, totaling about 250 grams of cocaine alone.

During the course of the conspiracy, surveillance teams followed BEAUMONT to Flores' residence in Billings to obtain cocaine for redistribution. In April 2009, BEAUMONT sold approximately 27.8 grams of cocaine that she had received from Flores to an undercover officer.

Flores, a co-conspirator, and one of BEAUMONT'S source of supply admitted that from

December 2008 until June 2009, he distributed approximately 20 ounces of cocaine to BEAUMONT for redistribution.

On July 6, 2009, BEAUMONT was interviewed and admitted to obtaining roughly 16 ounces of cocaine from Flores from January 2009 until June 2009. BEAUMONT in turn redistributed the cocaine in various quantities to numerous individuals, in addition to the undercover officer, in the Billings area.

The amount of cocaine that BEAUMONT was responsible for and which was directly and reasonably foreseeable to her in the conspiracy exceeded 500 grams.

The investigation was a cooperative effort between the Drug Enforcement Administration, the Federal Bureau of Investigation, U.S. Immigration and Customs Enforcement, the Eastern Montana High Intensity Drug Trafficking Area (HIDTA) Task Force, the U.S. Marshals Service and the Billings Big Sky Safe Streets Task Force.

MORIAH ROSE BECKMAN

On April 22, 2010, MORIAH ROSE BECKMAN, a 19-year-old resident of Butte, was sentenced to a term of:

- Prison: 63 months
- Special Assessment: \$100
- Restitution: \$13,172.57
- Supervised Release: 5 years

BECKMAN was sentenced in connection with her guilty plea to conspiracy to distribute methamphetamine.

In an Offer of Proof filed by Assistant U.S. Attorney Timothy J. Racicot, the government stated it would have proved at trial the following:

U.S. Immigration and Customs Enforcement, the Butte-Silver Bow Law Enforcement Agency, and the Southwest Montana Drug Task Force have been investigating a methamphetamine-trafficking organization in the Butte area since 2008. The organization is responsible for distributing pounds of meth in Silver Bow, Jefferson, Lewis and Clark, and Gallatin Counties.

On October 8, 2009, Anthony Kerner, one of BECKMAN's co-conspirators bonded her out of the Jefferson County Detention Center in Boulder. BECKMAN and Kerner then drove to Montana City to sell three ounces of methamphetamine to a confidential informant. Before the deal transpired, BECKMAN and Kerner were stopped and arrested. Officers searched the vehicle they were driving and seized six ounces of meth.

BECKMAN was interviewed on October 5 and October 13, 2009. During the second interview she admitted her involvement in the conspiracy and specifically acknowledged that she bought eight-ball quantities of methamphetamine every day during the summer of 2009 to distribute to other people. One eight-ball per day for three months is approximately 297 grams of methamphetamine.

Kerner pled guilty to federal charges and is awaiting sentencing.

The investigation was a cooperative effort between the U.S. Immigration and Customs Enforcement, the Butte-Silver Bow Law Enforcement Agency, and the Southwest Montana Drug Task Force.

MICHELLE BELL

On May 6, 2010, MICHELLE BELL, a 37-old-year resident of Airway Heights, Washington, was sentenced to a term of:

- Prison: 37 months
- Special Assessment: \$100
- Supervised Release: 5 years

She was sentenced in connection with her guilty plea to conspiracy to distribute methamphetamine.

In an Offer of Proof filed by Assistant U.S. Attorney Tara J. Elliott, the government stated it would have proved at trial the following:

On December 6, 2008, agents with the Missouri River Drug Task Force (MRDTF) monitored a telephone call between a cooperating person (CP) and Raymond Bell, MICHELLE BELL's brother. Raymond agreed to sell the informant 1.5 ounces (about 40 grams) of methamphetamine for \$2,000, which was then sent to Raymond by Moneygram.

On December 7, 2008, MRDTF monitored a phone call between Raymond and the CP during which Raymond advised that his sister, MICHELLE BELL, would deliver the methamphetamine. MICHELLE met the CP in Missoula. During the exchange, MICHELLE called Raymond and was told that there was some methamphetamine set aside for her inside the scale. The CP then weighed the methamphetamine in the presence of MICHELLE. It weighed 23.85 grams, somewhat short of the agreed upon 40 grams. The CP told MICHELLE to call Raymond and inform him the package was short.

On December 9, 2008, MRDTF, through the CP, issued MICHELLE a Moneygram for \$2,800 for the purchase of more methamphetamine.

On December 10, 2008, MICHELLE left from Spokane, Washington, to deliver the methamphetamine. MICHELLE stopped in Missoula and then continued to Helena. During a traffic stop conducted by Helena Police Department officers, MICHELLE gave verbal and written consent to search her vehicle. Officers found a lockbox behind the seat, to which MICHELLE provided the key. Inside the lockbox, officers recovered two plastic bags containing methamphetamine. MICHELLE then gave a statement. She stated that her brother, Raymond, had taken the money from the Moneygram issued to her to purchase methamphetamine from two different sources. MICHELLE then transported the methamphetamine to Montana for him.

The total amount of drugs involved in this case was approximately 80 grams of a mixture containing methamphetamine.

Raymond Bell pled guilty to federal charges and has been sentenced.

The investigation was a cooperative effort between U.S. Immigration and Customs Enforcement and the Missouri River Drug Task Force.

RAYMOND BELL

On May 18, 2010, RAYMOND BELL, a 33-year-old resident of Airway Heights, Washington, was sentenced to a term of:

- Prison: 150 months
- Special Assessment: \$100
- Supervised Release: 5 years

He was sentenced in connection with his guilty plea to conspiracy to distribute methamphetamine.

In an Offer of Proof filed by Assistant U.S. Attorney Tara J. Elliott, the government stated it would have proved at trial the following:

On December 6, 2008, agents with the Missouri River Drug Task Force (MRDTF) monitored a telephone call between a cooperating person (CP) and RAYMOND BELL. RAYMOND agreed to sell the informant 1.5 ounces (about 40 grams) of methamphetamine for \$2,000, which was then sent to RAYMOND by Moneygram.

On December 7, 2008, MRDTF monitored a phone call between RAYMOND and the CP during which RAYMOND advised that his sister, Michelle Bell, would deliver the methamphetamine. Michelle met the CP in Missoula. During the exchange, Michelle called RAYMOND and was told that there was some methamphetamine set aside for her inside the scale. The CP then weighed the methamphetamine in the presence of Michelle. It weighed 23.85 grams, somewhat short of the agreed upon 40 grams. The CP told Michelle to call RAYMOND and inform him the package was short.

On December 9, 2008, MRDTF, through the CP, issued Michelle a Moneygram for \$2,800 for the purchase of more methamphetamine.

On December 10, 2008, Michelle left from Spokane, Washington, to deliver the methamphetamine. Michelle stopped in Missoula and then continued to Helena. During a traffic stop conducted by Helena Police Department officers, Michelle gave verbal and written consent to search her vehicle. Officers found a lockbox behind the seat, to which Michelle provided the key. Inside the lockbox, officers recovered two plastic bags containing methamphetamine. Michelle then gave a statement. She stated that her brother, RAYMOND, had taken the money from the Moneygram issued to her to purchase methamphetamine from two different sources. Michelle then transported the methamphetamine to Montana for him.

The total amount of drugs involved in this case was approximately 80 grams of a mixture containing methamphetamine.

Michelle Bell pled guilty to federal charges and has been sentenced.

The investigation was a cooperative effort between U.S. Immigration and Customs Enforcement and the Missouri River Drug Task Force.

**CASEY BELL and ROBERT MAURER
(BELL & MAURER)**

On November 4, 2010, CASEY BELL, age 22, and ROBERT MAURER, age 23, residents of Missoula, were sentenced:

BELL was sentenced to a term of:

- Prison: 12 months and 1 day
- Special Assessment: \$100
- Supervised Release: 5 years

MAURER was sentenced to a term of:

- Prison: 63 months
- Special Assessment: \$100
- Supervised Release: 5 years

They were sentenced in connection with their guilty pleas to conspiracy to distribute cocaine.

In an Offer of Proof filed by Assistant U.S. Attorney Tara J. Elliott, the government stated it would have proved at trial the following:

From approximately June of 2009 through January of 2010, MAURER and BELL sold cocaine in and around the Missoula area. Initially, MAURER was BELL's supplier for cocaine, but then BELL started to go directly to MAURER's supplier, A.L. MAURER and BELL would take trips to Spokane together to pick up cocaine from A.L.

On January, 27, 2010, BELL and MAURER were stopped in a vehicle by law enforcement officers that contained approximately eight ounces of cocaine. A search was later conducted on BELL's residence and 3.5 ounces of cocaine were discovered.

A controlled source would have testified to purchasing a total of eight ounces of cocaine from BELL over three occasions. When questioned, BELL admitted to obtaining several kilograms of cocaine from A.L. and then distributing it in the Missoula area.

When questioned, MAURER admitted to obtaining approximately 3.5 kilograms of cocaine from A.L. and then distributing it in the Missoula area.

The investigation was conducted by Drug Enforcement Administration.

LINCOLN BENAVIDES

On April 23, 2010, LINCOLN BENAVIDES, a 35-year-old resident of Boise, Idaho, was sentenced to a term of:

- Prison: 300 months
- Special Assessment: \$200
- Supervised Release: 10 years

BENAVIDES was sentenced in connection with his guilty plea to conspiracy to distribute methamphetamine and distribution of methamphetamine.

In an Offer of Proof filed by Assistant U.S. Attorneys Joseph E. Thaggard and Tara J. Elliott, the government stated it would have proved at trial the following:

In approximately September 2000, agents of the Northwest Montana Drug Task Force (NWDTF), a drug task force operating in Lake and Flathead Counties, learned BENAVIDES was involved in the distribution of methamphetamine.

In December 2000, R.W., an informant for the NWDTF, stated that he was an associate of BENAVIDES. R.W. stated he, BENAVIDES, and T.K. (full name withheld to protect the identity of the individual) made multiple trips to Idaho to obtain methamphetamine. R.W. stated the methamphetamine was distributed to known drug dealers in the Flathead Valley.

On February 17, 2001, in Missoula, R.W., working with the NWDTF and the Montana Division of Criminal Investigation (MDCI), made a controlled purchase of methamphetamine from BENAVIDES.

Thereafter, R.W. introduced an undercover MDCI agent to BENAVIDES. On February 21, 2001, the undercover MDCI agent purchased approximately one quarter pound of a mixture or substance containing a detectable amount of methamphetamine from BENAVIDES in a controlled transaction in Lake County.

On March 5, 2001, BENAVIDES agreed to sell approximately three pounds of methamphetamine to the undercover MDCI agent. He met the agent at a location in Lake County and provided methamphetamine to the agent. BENAVIDES was arrested and he and his vehicle were searched. Collectively, approximately three pounds of a substance or mixture containing a detectable amount of methamphetamine was seized from BENAVIDES or his vehicle.

BENAVIDES was interviewed by agents of the NWDTF and the MDCI. BENAVIDES admitted that he and others were engaged in a conspiracy to distribute methamphetamine at various locations in Montana, mostly in western Montana. BENAVIDES also admitted that, as part of the conspiracy, he obtained methamphetamine in other states, then transported it to Montana, where it was distributed.

BENAVIDES was charged in state court with trafficking methamphetamine and released on bail. Following his release on bail, BENAVIDES continued to transport methamphetamine to Montana or had methamphetamine transported to Montana by couriers involved in the conspiracy.

In approximately November 2001, BENAVIDES fled from the United States into Mexico. He eventually settled in Texas, where he remained until March 2004.

During the time he was in Texas, BENAVIDES continued to distribute or had couriers distribute methamphetamine to K.S., located in western Montana.

In March 2004, BENAVIDES was arrested at a family function in Wisconsin and returned to Montana. Following BENAVIDES' arrest in March 2004, the FBI and other law enforcement agencies investigated the full scope of his drug trafficking activities between 1999 and 2004. During the course of that investigation, numerous sources confirmed that BENAVIDES conspired to distribute methamphetamine in Montana and did in fact distribute methamphetamine in Montana.

The investigation was a cooperative effort between the Federal Bureau of Investigation, the Ravalli County Sheriff's Office, the Missoula High Intensity Drug Trafficking Area (HIDTA) Task Force, the Northwest Montana Drug Task Force and the Montana Division of Criminal Investigation.

RICHARD JAMES BIGGS

On November 4, 2010, RICHARD JAMES BIGGS, a 31-year-old resident of Missoula,

was sentenced to a term of:

- Prison: 63 months
- Special Assessment: \$100
- Supervised Release: 5 years

BIGGS was sentenced in connection with his guilty plea to conspiracy to distribute 100 kilograms or more of a mixture or substance containing a detectable amount of marijuana.

In an Offer of Proof filed by Assistant U.S. Attorney Tara J. Elliott, the government stated it would have proved at trial the following:

In March, 2010, the Missoula High Intensity Drug Trafficking Area (HIDTA) Task Force began investigating marijuana trafficking in the Missoula area.

On April 6, 2010, surveillance was established at BIGGS' residence in Missoula. A 2007 Chevy Avalanche registered to BIGGS was parked in the driveway. A person identified as C.L. was observed leaving BIGGS' residence carrying a large (20 gallon) Rubbermaid type storage bin. The bin was heavy enough that C.L. carried it with two hands. C.L. then placed the bin in his truck and drove it to his residence.

The next day, April 7, 2010, C.L. contacted a confidential source (CS) to inform him that he had marijuana for sale. In a post-arrest interview, C.L. admitted to transporting marijuana in these storage bins.

Subpoenaed airline records indicated that BIGGS had flown back and forth between Missoula and Las Vegas at least once a month since July 2008.

On April 11, 2010, video surveillance showed C.L. arriving at BIGGS' residence. A short time later, BIGGS arrived in his Chevy Avalanche and carried a large suitcase in the front door. A short time later, C.L. was observed leaving the residence with another Rubbermaid type storage bin. C.L. then drove to his own residence.

On May 4, 2010, surveillance observed C.L. picking BIGGS up at the Missoula airport after arriving from Las Vegas.

On May 4, 2010, a state warrant was authorized for the placement of a GPS tracking device on BIGGS' vehicle.

On May 6, 2010, BIGGS was observed leaving his residence and driving to a casino where he met V.H., who is a marijuana care giver. BIGGS then proceeded to I-90 and drove westbound.

On May 7, 2010, the GPS tracker showed BIGGS had arrived in the Trinidad and

Arcata area of Northern California. This area is commonly known as the "Humbolt County" area and is one of the largest marijuana cultivation areas in the United States.

On May 12, 2010, BIGGS was stopped inear Huson as he was returning from Northern California. A search warrant had been secured for the vehicle. Discovered in the vehicle was approximately 72 pounds of (several varieties) marijuana and \$39,000 in U.S. currency. A search warrant was also executed at BIGGS' residence in Missoula. Discovered in the basement were similar duffle bags to those found in BIGGS Chevy Avalanche and vacuum sealed 1 pound marijuana bags totaling 7 pounds.

Interviews of C.L. revealed that BIGGS had supplied him with more than 100 kilograms of marijuana since approximately July 2007 through May of 2010.

The investigation was a cooperative effort between the Drug Enforcement Administration and the Missoula High Intensity Drug Trafficking Area (HIDTA) Task Force.

JOHN BONNER

On December 21, 2010, JOHN BONNER, a 30-year-old resident of Billings, was sentenced to a term of:

- Probation: 3 years
- House Arrest: 4 months
- Special Assessment: \$100
- Fine: \$5,000

BONNER was sentenced in connection with his guilty plea to distribution of cocaine.

Assistant U.S. Attorney James E. Seykora stated in a filed information that from 2005 up to June of 2009, BONNER was involved in the distribution of cocaine in the Billings area.

The investigation was conducted by a cooperative effort between the Drug Enforcement Administration, High Intensity Drug Trafficking Area (HIDTA) Task Force, and the Federal Bureau of Investigation.

RICCO LEE BROWN

On March 24, 2010, RICCO LEE BROWN, age 20, was sentenced to a term of:

- Prison: 24 months
- Special Assessment: \$100
- Supervised Release: 5 years

BROWN was sentenced in connection with his guilty plea to conspiracy to possess with the intent to distribute cocaine.

In an Offer of Proof filed by Assistant U.S. Attorney James E. Seykora, the government stated it would have proved at trial the following:

In 2008, BROWN was involved in a conspiracy with other individuals to possess with the intent to distribute over 500 grams of cocaine.

The investigation was a cooperative effort between the Federal Bureau of Investigation and the City-County Special Investigation Unit in Billings.

ANDREW BURRINGTON

On July 22, 2010, ANDREW BURRINGTON, a 23-year-old resident of Missoula, was sentenced to a term of:

- Prison: 37 months
- Special Assessment: \$100
- Supervised Release: 4 years

BURRINGTON was sentenced in connection with his guilty plea to conspiracy to distribute marijuana.

In an Offer of Proof filed by Assistant U.S. Attorney Tara J. Elliott, the government stated it would have proved at trial the following:

Starting in approximately September 2006, BURRINGTON began obtaining five pound quantities of marijuana from a source of supply (SOS#1) every week until approximately February of 2008. BURRINGTON estimated that he purchased between 100 and 150 pounds from SOS#1.

BURRINGTON later began purchasing marijuana from a higher level source of supply (SOS#2). BURRINGTON estimated that he purchased 250-400 pounds of marijuana from (SOS#2).

P.C. stated that he met BURRINGTON on July 29, 2008. A week or two later P.C. went to BURRINGTON's residence and observed BURRINGTON with 14 pounds of marijuana. BURRINGTON fronted one pound of marijuana to P.C. for \$2,700. P.C. estimated over the next two months that he obtained 30 pounds of marijuana from BURRINGTON. P.C. stated that between August 2008 and September 2009, he estimated that he had obtained between 400-600 pounds of marijuana from BURRINGTON. P.C. stated the most he obtained at one time was 10 pounds. P.C. stated on one occasion he observed BURRINGTON with 50 pounds of marijuana at BURRINGTON's residence. P.C. also stated he counted \$75,000 in cash with

BURRINGTON in August 2009.

On September 3, 2009, P.C. was robbed by Jeremiah Lettiere of approximately five pounds of marijuana and \$12,000. P.C. stated that the five pounds of marijuana had come from BURRINGTON. P.C. intended to distribute the five pounds to Lettiere, collect the cash, and then purchase another five pounds of marijuana from BURRINGTON to distribute to Lettiere.

On September 3, 2009, the Missoula High Intensity Drug Trafficking Area (HIDTA) Task Force and the Drug Enforcement Administration conducted a search warrant at BURRINGTON's residence in Missoula. Agents seized \$46,048 in cash and approximately 10 pounds of marijuana.

Lettiere pled guilty to federal charges and has been sentenced.

The investigation was a cooperative effort between the Missoula High Intensity Drug Trafficking Area (HIDTA) Task Force and the Drug Enforcement Administration.

WILBUR LEE CADOTTE

On August 27, 2010, WILBUR LEE CADOTTE, a 54-year-old resident of Seville, was sentenced to a term of:

- Prison: 63 months
- Special Assessment: \$100
- Supervised Release: 6 years

CADOTTE was sentenced in connection with his guilty plea to conspiracy to possess with the intent to distribute methamphetamine in a public housing facility.

In an Offer of Proof filed by Assistant U.S. Attorney Vince Carroll, the government stated it would have proved at trial the following:

On March 23, and March 25, 2009, a confidential informant ("CI") of the Blackfeet Safe Trails Drug Task Force ("Task Force") performed controlled purchases of methamphetamine (approximately 2 grams each time) from CADOTTE. The purchases occurred at CADOTTE's residence located in Seville, which is on the Blackfeet Indian Reservation. The residence is a public housing facility and is located within 1,000 feet of other public housing units. When the CI arrived at CADOTTE's residence, CADOTTE gave the CI approximately 2 grams of methamphetamine on each occasion in exchange for a total of \$300 cash.

After a field test of the substances indicated they were methamphetamine, the substances were sent to the DEA Lab in San Francisco, California, where they were confirmed to be methamphetamine.

CADOTTE was later interviewed and admitted that he sold methamphetamine from his residence in Seville. CADOTTE corroborated statements made by other drug dealers (who have recently been prosecuted) that he had both purchased methamphetamine from and sold methamphetamine to these and other individuals. CADOTTE admitted to selling methamphetamine from April 2007 to March 2009. The investigation was conducted by the Blackfeet Safe Trails Drug Task Force.

ROLANDO FRANCISCO CALDERON

On December 20, 2010, ROLANDO FRANCISCO CALDERON, a 30-year-old resident of Seattle, Washington, was sentenced to a term of:

- Prison: 72 months
- Special Assessment: \$100
- Supervised Release: 4 years

CALDERON was sentenced in connection with his guilty plea to conspiracy to possess with the intent to distribute cocaine and distribution of cocaine.

In an Offer of Proof filed by Assistant U.S. Attorney James E. Seykora, the government stated it would have proved at trial the following:

In 2008, CALDERON was involved in a conspiracy with other individuals to possess with the intent to distribute and the distribution of over 500 grams of cocaine.

The investigation was conducted by the Billings Big Sky Safe Streets Task Force.

ISAAC JAMES CARDONA

On March 26, 2010, ISAAC JAMES CARDONA, a 30-year-old resident of Bozeman, was sentenced to a term of:

- Prison: 96 months
- Special Assessment: \$100
- Supervised Release: 4 years

CARDONA was sentenced in connection with his guilty plea to distribution of 50 or more grams of a mixture or substance containing a detectable amount of methamphetamine.

In an Offer of Proof filed by Assistant U.S. Attorney Timothy J. Racicot, the government stated it would have proved at trial the following:

The Missouri River Drug Task Force ("MRDTF") and the Drug Enforcement Administration (DEA) have been investigating a methamphetamine-trafficking

organization in the Bozeman area since 2007. That organization is responsible for distributing pounds of meth in Gallatin County and the investigation has resulted in the arrest of prosecution of several individuals.

On May 22, 2008, the MRDTF monitored a controlled purchase of approximately 4.8 grams of methamphetamine from CARDONA and another individual. Before and after that drug deal, law enforcement watched CARDONA and several other Bozeman-area meth users and dealers. CARDONA was consistently seen arriving and leaving the residences of known members of Bozeman's meth community.

Law enforcement officers interviewed approximately 15 people who described either distributing meth to CARDONA, getting meth from CARDONA, or seeing CARDONA give meth to other people.

- One of the people who was interviewed, W.F., said CARDONA sold W.F. one ounce of methamphetamine for between \$1200 and \$1400 at the Thunderbird Motel in Pocatello, Idaho.
- B.G. said CARDONA "fronted" B.G. one ounce of meth in June 2008 and another ounce in July 2008.
- P.B. told law enforcement that P.B. once saw CARDONA with one-half pound of methamphetamine, which was the largest amount P.B. ever saw in CARDONA's possession.
- P.K. admitted to buying a "teener" (1.7 grams) of meth from CARDONA sometime in early 2009 and saw him sell gram and 8-ball quantities on various other occasions to various people.
- D.M. described traveling to Idaho with CARDONA on three occasions in 2007 so CARDONA could get methamphetamine from his source of supply.
- T.O. said that CARDONA sold T.O. quantities of meth worth \$20 to \$30 beginning in February or March 2009. T.O. also accompanied CARDONA to Pocatello in February 2009 and saw at least one ounce of meth that CARDONA had purchased.
- S.D. told law enforcement that S.D. traveled with CARDONA to Idaho twice (with T.O.) to get methamphetamine. S.D. bought one ounce during the first trip and 2.5 ounces during the second trip. CARDONA got 1.5 ounces during the second trip.

The investigation was a cooperative effort between the Missouri River Drug Task Force and the Drug Enforcement Administration.

TERRA CHESAREK

On July 26, 2010, TERRA CHESAREK, a 32-year-old resident of Billings, was sentenced to a term of:

- Prison: 24 months
- Special Assessment: \$100
- Supervised Release: 4 years

CHESAREK was sentenced in connection with her guilty plea to conspiracy to possess with the intent to distribute cocaine.

In an Offer of Proof filed by Assistant U.S. Attorney James E. Seykora, the government stated it would have proved at trial the following:

CHESAREK was involved in a conspiracy to distribute over 500 grams of cocaine in the Billings area.

The investigation was a cooperative effort between the Drug Enforcement Administration, the Federal Bureau of Investigation, the U.S. Immigration and Customs Enforcement, the Eastern Montana High Intensity Drug Trafficking Area (HIDTA) Task Force, the U.S. Marshals Service and the Billings Big Sky Safe Streets Task Force.

NATHAN VAL CHELINI

On June 24, 2010, NATHAN VAL CHELINI, a 28-year-old resident of Butte, was sentenced to a term of:

- Prison: 48 months
- Special Assessment: \$100
- Supervised Release: 5 years

CHELINI was sentenced in connection with his guilty plea to conspiracy to distribute 5 or more grams of actual methamphetamine.

In an Offer of Proof filed by Assistant U.S. Attorney Timothy J. Racicot, the government stated it would have proved at trial the following:

On January 13, 2009, a detective with the Butte-Silver Bow Law Enforcement Agency received information from a confidential informant that K.P. and a second unknown male were planning a trip to Arizona to purchase methamphetamine. Subsequent surveillance revealed that K.P.'s 2007 Ford truck departed his residence on January 14, 2009.

On January 16, 2009, officers of the Butte-Silver Bow Law Enforcement Agency

observed K.P.'s truck driving northbound on Interstate 15. The detective and another officer subsequently stopped the truck for equipment violations. CHELINI was driving and K.P. was in the front passenger seat. Two female passengers were in the back seat of the truck. The officers eventually searched the truck and seized, among other items, a black duffle bag behind the driver's seat containing a scale and two bags of methamphetamine as well as clothes belonging to CHELINI and one of the female passengers. The methamphetamine was weighed and analyzed and the lab concluded that the two bags contained 38.9 grams of actual methamphetamine.

All four of the occupants of the truck were interviewed. CHELINI admitted to traveling to Arizona and purchasing the methamphetamine with money that K.P. had recently obtained from an insurance settlement. CHELINI arranged with the ex-husband of one of the female passengers to meet with the source of supply in Arizona. CHELINI also admitted to smoking methamphetamine in the truck on the drive back to Montana.

The investigation was a cooperative effort between the U.S. Immigration and Customs Enforcement and the Butte-Silver Bow Law Enforcement Agency.

RICARDO COLLAZO-CANALES

On January 7, 2010, RICARDO COLLAZO-CANALES a resident of Billings, was sentenced in connection with his guilty plea to possession with the intent to distribute cocaine to a term of:

- Prison: 16 months
- Special Assessment: \$100
- Fine: \$2,500
- Supervised Release: 4 years

In an Offer of Proof filed by Assistant U.S. Attorney Joseph E. Thaggard, the government stated it would have proved at trial the following:

In August 2007, the Montana Division of Criminal Investigation and the Drug Enforcement Administration began to investigate the trafficking of cocaine by a criminal organization located in Billings. The investigation revealed that the leader of the organization in Billings was D.B.

As part of the investigation, law enforcement officers purchased a total of four ounces of purported cocaine from two individuals in August and September of 2007. One of the individuals later told law enforcement that COLLAZO-CANALES had provided the cocaine to him. The individual also stated that he received a total of 20 ounces of cocaine from COLLAZO-CANALES and then distributed the cocaine.

Other witnesses from Billings would have testified that they had also purchased cocaine from COLLAZO-CANALES. Collectively, the evidence would have established that

COLLAZO-CANALES had possessed, with the intent to distribute, 500 grams or more of a substance containing a detectable amount of cocaine.

The investigation also found that between March 26, 2008, and July 10, 2008, Manuel Melgar distributed a total of nine ounces and one gram of a substance containing a detectable amount of cocaine to an undercover agent. That cocaine was provided to Melgar by COLLAZO-CANALES.

A witness would have testified that he directly provided seven ounces of cocaine to Melgar for distribution. Given the amount of drugs Melgar distributed to the undercover agent over the course of the conspiracy, the amount of drugs witnesses would have testified had been provided to Melgar, and Melgar's assumption of the role as a subordinate dealer of D.B.'s, the amount of cocaine attributable to Melgar as part of the conspiracy was at least 500 grams of a substance containing a detectable amount of cocaine.

Melgar subsequently admitted that he stored cocaine at a residence he and his girlfriend, Amber Reaves, maintained in Billings.

A witness would have testified that Reaves knew the residence was employed for the use and distribution of cocaine.

Melgar and Reaves pled guilty to federal charges and have been sentenced.

The investigation was a cooperative effort between the Montana Division of Criminal Investigation, the Drug Enforcement Administration, and U.S. Immigration and Customs Enforcement.

EMILIANO CRUZ-SALAZAR

On January 14, 2010, EMILIANO CRUZ-SALAZAR, a 24-year-old resident of Bozeman, was sentenced to a term of:

- Prison: 70 months
- Special Assessment: \$200
- Supervised Release: 5 years

CRUZ-SALAZAR was sentenced in connection with his guilty plea to conspiracy to distribute methamphetamine and illegal re-entry of a previously deported alien.

In an Offer of Proof filed by Assistant U.S. Attorney Timothy J. Racicot, the government stated it would have proved at trial the following:

In 2004, William Feight began buying "eight balls" of methamphetamine from an individual, hereafter referred to as "John Doe," generally for personal use. "John Doe"

was eventually arrested and his Mexican sources of supply approached Feight about selling the methamphetamine that they were bringing into the Bozeman area. Feight agreed and began receiving one ounce of meth from CRUZ every one to three days from the summer of 2007 until September of 2008. Feight normally received the methamphetamine from CRUZ at Lindley Park in Bozeman. During an interview with law enforcement, Feight estimated that he met CRUZ at the park 20 to 50 times to obtain ounce quantities of methamphetamine.

Lori Meigs, who met Feight in approximately 2005, assisted him in obtaining and distributing methamphetamine. After Feight was arrested on federal drug charges, CRUZ distributed methamphetamine to Meigs until her arrest on federal drug charges. At that point, CRUZ was distributing meth to Shanna DeVore. During an interview with law enforcement, DeVore described receiving one ounce of methamphetamine from CRUZ in October 2008 and one-half ounce quantities thereafter until CRUZ's arrest on the charges in this case.

After CRUZ was arrested, agents with the U.S. Immigration and Customs Enforcement discovered that CRUZ is a citizen of Mexico, that he was deported from the United States on April 6, 2006, at the Port of San Isidro, California, and that he did not obtain the consent of either the Attorney General or the Secretary of the Department of Homeland Security to reenter the United States.

Feight, Meigs and DeVore pled guilty to federal charges and have been sentenced.

The investigation was conducted by a cooperative effort between the Missouri River Drug Task Force, the U.S. Immigration and Customs Enforcement and Drug Enforcement Administration.

RAYMOND LALONDE CURNOW

On July 20, 2010, RAYMOND LALONDE CURNOW, a 32-year-old resident of Butte, was sentenced to a term of:

- Prison: 37 months
- Special Assessment: \$100
- Supervised Release: 5 years

CURNOW was sentenced in connection with his guilty plea to conspiracy to distribute methamphetamine.

In an Offer of Proof filed by Assistant U.S. Attorney Timothy J. Racicot, the government stated it would have proved at trial the following:

The U.S. Immigration and Customs Enforcement, the Butte-Silver Bow Law Enforcement Agency, and the Southwest Montana Drug Task Force have been

investigating a methamphetamine-trafficking organization in the Butte area since 2008. The organization is responsible for distributing pounds of meth in Silver Bow, Jefferson, Lewis and Clark, and Gallatin Counties.

According to one co-conspirator, CURNOW's initial role in the organization was that of a supplier. CURNOW provided methamphetamine that he received from a source in Denver to Anthony Kerner and others. Eventually, Kerner tapped into a source in Arizona and CURNOW started acting as a local distributor. Information provided by one co-conspirator indicated that once CURNOW started selling meth for Kerner, he received one or two ounces every five to seven days for a period of ten months (between 1,134 and 2,268 grams). Another co-conspirator estimated that CURNOW received between two and three pounds (907 to 1,360 grams) from Kerner from January to October 2009.

On June 1, 2009, law enforcement officers monitored a one-ounce methamphetamine deal between a confidential informant and CURNOW. On June 8, 2009, law enforcement officers stopped CURNOW's truck, which was searched on two separate occasions. CURNOW's house was also searched on June 8, 2009. A total of approximately 125 grams of methamphetamine was seized from the June 1 transaction and the searches of CURNOW's house and truck.

During the search of CURNOW's house, officers saw televisions in the basement streaming live video from outside the home. One camera was facing west (out the front of the house) and one was facing east (toward the alley behind the house). The officers seized a .22-caliber pistol, which was located on a television in the upstairs living room, and a can of acetone from the freezer. The following items were seized from the basement of the residence: small baggies that could be used to package drugs, cutting agents, scales, glass pipes used to smoke methamphetamine, baggies with meth residue, lab-type glassware, and a Smith and Wesson .38-caliber revolver in a holster. Also seized from the basement – from a safe that was found in a backpack – were additional baggies (some that appeared to contain meth residue), small amounts of suspected methamphetamine, and two digital scales.

Kerner pled guilty to federal charges and has been sentenced.

The investigation was a cooperative effort between U.S. Immigration and Customs Enforcement, the Butte-Silver Bow Law Enforcement Agency, and the Southwest Montana Drug Task Force.

WILLIAM CUSHING

On December 20, 2010, WILLIAM CUSHING, a 63-year-old resident of Sedona, Arizona, was sentenced to a term of:

- Prison: 33 months

- Special Assessment: \$100
- Fine: \$45,000
- Forfeiture: \$60,000
- Supervised Release: 5 years

CUSHING was sentenced in connection with his guilty plea to conspiracy to possess with the intent to distribute cocaine.

Assistant U.S. Attorney James E. Seykora stated the government would have proved at trial the following:

From 2003 until sometime in 2009, CUSHING was involved with other individuals in a conspiracy to possess with the intent to distribute cocaine in the Red Lodge area.

The investigation was a cooperative effort between the Drug Enforcement Administration, the Montana Division of Criminal Investigation, and the High Intensity Drug Trafficking Area (HIDTA) Task Force.

SHAWN HILLIARD DAVIS

On July 6, 2010, SHAWN HILLIARD DAVIS was sentenced to a term of:

- Prison: 66 months
- Special Assessment: \$100
- Supervised Release: 5 years

DAVIS was sentenced in connection with his guilty plea to conspiracy to distribute methamphetamine.

In an Offer of Proof filed by Assistant U.S. Attorney Timothy J. Racicot, the government stated it would have proved at trial the following:

The U.S. Immigration and Customs Enforcement, the Butte-Silver Bow Law Enforcement Agency, and the Southwest Montana Drug Task Force had been investigating a methamphetamine-trafficking organization in the Butte area since 2008. The organization is responsible for distributing pounds of meth in Silver Bow, Jefferson, Lewis and Clark, and Gallatin Counties.

DAVIS' role within the organization was that of a drug transporter. He traveled back and forth between Butte and Arizona, both driving and flying. He took money down to Arizona to pay for methamphetamine, and transported meth back to Butte to be distributed in southwestern and central Montana.

When he was interviewed on January 4, 2010, DAVIS described in detail his involvement in the conspiracy. He admitted taking several trips to Arizona and

transporting between one and two pounds back to Montana on each trip, for a total of approximately 12 to 15 pounds. DAVIS said that when he flew he brought one pound back and when he drove he brought two pounds. DAVIS also admitted that he received either \$2,000 or one ounce of meth for each pound of meth that he transported.

The United States obtained documents that would have shown that DAVIS flew from Butte to Arizona on Delta Airlines on approximately August 12, 2009, August 31, 2009, September 16, 2009, September 22, 2009, and October 6, 2009.

The investigation was a cooperative effort between the U.S. Immigration and Customs Enforcement, the Butte-Silver Bow Law Enforcement Agency, and the Southwest Montana Drug Task Force.

JOSEPH DOLL

On May 25, 2010, JOSEPH DOLL, a 28-year-old resident of Billings, was sentenced to a term of:

- Prison: 120 months
- Special Assessment: \$100
- Supervised Release: 5 years

DOLL was sentenced in connection with his guilty plea to conspiracy to possess with the intent to distribute and conspiracy to distribute methamphetamine.

In an Offer of Proof filed by Assistant U.S. Attorney James E. Seykora, the government stated it would have proved at trial the following:

From 2007 until early 2009, DOLL was a member of a conspiracy to possess with the intent to distribute methamphetamine and conspiracy to distribute in excess of 5 kilograms of methamphetamine.

The investigation was a cooperative effort between the Drug Enforcement Administration, the Bureau of Alcohol, Tobacco, Firearms and Explosives, U.S. Immigration and Customs Enforcement, and the High Intensity Drug Trafficking Area (HIDTA) Task Force.

ALEXANDER WILLIAM FETTERS

On June 24, 2010, ALEXANDER WILLIAM FETTERS, a 33-year-old resident of Butte, was sentenced to a term of:

- Prison: 300 months
- Special Assessment: \$100
- Supervised Release: 5 years

FETTERS was sentenced in connection with his guilty plea to conspiracy to distribute 500 or more grams of methamphetamine.

In an Offer of Proof filed by Assistant U.S. Attorney Timothy J. Racicot, the government stated it would have proved at trial the following:

The U.S. Immigration and Customs Enforcement, the Butte-Silver Bow Law Enforcement Agency, and the Southwest Montana Drug Task Force had been investigating a methamphetamine-trafficking organization in the Butte area since 2008. The organization is responsible for distributing pounds of meth in Silver Bow, Jefferson, Lewis and Clark, and Gallatin Counties.

FETTERS' was the point of contact for the source of supply of methamphetamine in Arizona. According to the statements of several co-conspirators, and FETTERS' own statements, he knew people in Arizona who were willing to sell methamphetamine and he arranged the deals for the Butte participants in the conspiracy. FETTERS would meet the runners, who included Anthony Kerner, Corinna Kerner, and others, and either provided methamphetamine directly to them or arranged a meeting with the source of supply. FETTERS was paid a particular sum of money for every pound that the organization purchased. FETTERS was arrested in Arizona in January 2010 and interviewed about his involvement in the conspiracy. He confirmed his involvement and estimated that he arranged for the purchase of 40 to 50 pounds of methamphetamine during the life of the conspiracy.

The investigation was a cooperative effort between the U.S. Immigration and Customs Enforcement and the Butte-Silver Bow Law Enforcement Agency.

SHON FLORES

On March 31, 2010, SHON FLORES, a 32-year-old resident of Billings, was sentenced to a term of:

- Prison: 75 months
- Special Assessment: \$100
- Supervised Release: 5 years

FLORES was sentenced in connection with his guilty plea to conspiracy to possess with the intent to distribute and distribute cocaine.

In an Offer of Proof filed by Assistant U.S. Attorney James E. Seykora, the government stated it would have proved at trial the following:

From August 2008 and June 2009, FLORES was distributing an array of cocaine in Billings, Missoula, and other areas of Montana by and through co-conspirators. His co-conspirators were a loosely knit group of former and current football players and

coaches for the Billings Outlaws, a professional indoor football team.

T.C. was one of the main distributors for FLORES in Billings. FLORES traveled to Salt Lake City on numerous occasions either by himself or had other conspirators drive there to pick up cocaine for redistribution. Quantities received by FLORES himself included six ounces, quarter kilo, and half kilos of cocaine at one time. A total of approximately nine kilograms were received during the period of the conspiracy from his source of supply.

During the period of the conspiracy, the DEA and FBI working in conjunction, made undercover purchases and controlled buys of cocaine, by and through FLORES, T.C. and other co-conspirators, as follows:

<u>Date</u>	<u>Amount of Cocaine</u>
10/28/08	12.6 grams
11/06/08	13.3 grams
11/21/08	27.3 grams
12/05/08	28.0 grams
01/13/09	28.2 grams
01/28/09	28.1 grams
02/05/09	27.8 grams
02/05/09	27.9 grams
02/23/09	28.0 grams
02/24/09	27.9 grams
02/24/09	27.9 grams
04/08/09	28.1 grams
06/07/09	51.9 grams
06/10/09	26.6 grams

On July 2, 2009, FLORES admitted to law enforcement that he was involved in a conspiracy and that the amount of cocaine involved was roughly nine kilograms. The cocaine was distributed to various individuals and groups throughout the Billings community, including business owners, professionals and salesmen.

The investigation was a cooperative effort between the Drug Enforcement Administration, the Federal Bureau of Investigation, the U.S. Immigration and Customs Enforcement, the Eastern Montana High Intensity Drug Trafficking Area (HIDTA) Task Force, the U.S. Marshals Service and the Billings Big Sky Safe Streets Task Force.

ARTHUR FRANKIE GOMEZ

On November 18, 2010, ARTHUR FRANKIE GOMEZ, a 35-year-old resident of Washington, was sentenced to a term of:

- Prison: 78 months

- Special Assessment: \$100
- Supervised Release: 5 years

GOMEZ was sentenced in connection with his guilty plea to conspiracy to distribute methamphetamine as part of a tribal drug operation, "Junkyard Dog."

In an Offer of Proof filed by Assistant U.S. Attorneys Lori Harper Suek and Jessica T. Fehr, the government stated it would have proved at trial the following:

Beginning in the spring of 2009, GOMEZ and Connie Ann Solis, residents of Washington, delivered methamphetamine to George Morris in Billings. GOMEZ stated he was "brought in" to the methamphetamine distribution organization by two people who live in Washington state. GOMEZ met these two people while in jail last year.

GOMEZ stated he was given directions to the location in Billings by these two people, and was told how "it would go." GOMEZ was also given a telephone number of who to contact in Montana. GOMEZ stated it was the same person in Montana each time. GOMEZ knew "the old man" that he and Solis met with in Billings as "Bill." GOMEZ stated "Bill" was the man known as George Morris.

GOMEZ said during most trips to Montana, he and Solis met "Bill" at a gas station in Billings. On the trip prior to his arrest, GOMEZ said they followed "Bill" to a new location. GOMEZ stated he did not know why they were directed to meet at the new location on the last two trips.

Solis stated she estimated that they made six trips to Billings. Solis also stated that she did not know the amount of methamphetamine that she and GOMEZ were delivering, but she knew that they were delivering "drugs" to Morris.

Law enforcement in Billings conducted surveillance during the summer and fall of 2009, and observed Solis and GOMEZ in Billings delivering methamphetamine to Morris on four occasions. During the last trip that they made, on December 20, 2009, they were arrested at a house outside of Billings with Morris. Approximately two pounds of methamphetamine were recovered from their car, and approximately \$27,000 in cash was seized from Morris's car at the same time.

Solis admitted that she and GOMEZ were paid \$2,000 per trip to deliver methamphetamine to Morris.

Morris and Solis pled guilty to federal charges and have been sentenced.

The investigation was a cooperative effort between the Bureau of Indian Affairs and the Drug Enforcement Administration.

JULIO GONZALEZ, JR.

On August 5, 2010, JULIO GONZALEZ, JR., a 35-year-old resident of Great Falls, was sentenced to a term of:

- Prison: 71 months
- Special Assessment: \$100
- Supervised Release: 8 years

GONZALEZ was sentenced in connection with his guilty plea to conspiracy to distribute methamphetamine.

In an Offer of Proof filed by Assistant U.S. Attorney Tara J. Elliott, the government stated it would have proved at trial the following:

From June 2008 through October 29, 2008, GONZALEZ, along with Mark Steen, sold methamphetamine out of Steen's residence in Great Falls. Steen lived across the street from Charles M. Russell High School. GONZALEZ sold more than 50, but less than 200 grams of methamphetamine out of the residence.

Steen pled guilty to federal charges and has been sentenced.

The investigation was conducted by U.S. Immigration and Customs Enforcement.

CHARLES HAMAN

On September 23, 2010, CHARLES HAMAN, a 36-year-old resident of Billings, was sentenced to a term of:

- Prison: 50 months
- Special Assessment: \$200
- Supervised Release: 3 years

HAMAN was sentenced in connection with his guilty plea to conspiracy to possess with the intent to distribute Oxycontin and Oxycodone and acquiring a controlled substance by fraud.

In an Offer of Proof filed by Assistant U.S. Attorney Jessica T. Fehr, the government stated it would have proved at trial the following:

In the fall of 2008, the Billings Police Department City/County Special Investigations Unit and Rocky Mountain High Intensity Drug Trafficking Area Task Force (CCSIU/HIDTA) received a tip of possible drug dealing activity occurring at a residence on the west end of Billings. Law enforcement learned that unidentified subjects would regularly show up at the residence, knock at the front door or call on a cell phone from

the driveway. A short time later an individual, later identified as HAMAN, emerged from the residence and exchanged unknown items for cash.

In February of 2009, after the initial report to law enforcement, a physician reported to law enforcement that one of his prescription pads was stolen from his office. The physician did not know who stole the pad but provided law enforcement with the name that appeared on the fraudulent prescription. The fraudulent prescription contained a forgery of the doctor's signature on the prescription. A male individual attempted to have the fraudulent prescription filled at a pharmacy in Billings. Witnesses identified HAMAN as the man who posed as the male attempting to fill the fraudulent prescription.

As the investigation progressed, law enforcement learned of more fraudulent prescriptions being filled by individuals identified by witnesses as N.W., Shauna Willis, and HAMAN. The fraudulent prescriptions were not just from the prescription pad stolen from the prior physician's office, the fraudulent prescriptions were also allegedly written by five other area physicians. The majority of the prescriptions were written for Oxycodone and Oxycontin. Oxycodone is the generic name for the narcotic. Oxycontin is the trade marked time release version of Oxycodone. Oxycodone and Oxycontin are Schedule II narcotics prescribed by physicians for high pain relief.

On July 9, 2009, law enforcement executed a search warrant on HAMAN's residence – the same residence law enforcement received complaints about in the fall of 2008. During the search, law enforcement seized tablets of Oxycontin, drug paraphernalia, pharmacy and physician information, prescription bottles and labels, blank prescriptions, Photoshop material, CD's containing images of prescriptions, forged prescriptions, forged writings, security paper and information about creating a false identity through death records.

HAMAN was interviewed by law enforcement. HAMAN confessed to a forgery scheme which involved the manufacturing of fraudulent controlled substance prescriptions utilizing a computer, the computer program Photoshop and security paper. HAMAN confirmed he was distributing and selling the controlled substances to others. HAMAN confirmed he was also using the narcotics intravenously. HAMAN explained that several co-conspirators obtained legitimate prescriptions for Oxycodone and Oxycontin from several doctors in the Billings area. HAMAN and another co-conspirator would then scan the image of the valid prescriptions, alter the scanned images by erasing the original information and filling in new information, print the new image onto security paper, fill out the new prescription and subsequently forge the doctors' signatures to create the fraudulent prescriptions. HAMAN's co-conspirators would then visit area pharmacies and attempt to have the fraudulent prescriptions filled. HAMAN and his co-conspirators went as far as placing phone calls, impersonating treating physicians, in an attempt to convince pharmacists to fill the fraudulent prescriptions.

To date, a total of 58 prescriptions have been determined as fraudulent. The 58 fraudulent prescriptions resulted in the illegal dispensing of more than 300,000

milligrams of Schedule II narcotics. The fraudulent prescriptions created by HAMAN and his co-conspirators were filled at multiple pharmacies in Yellowstone and Stillwater Counties. The majority of the fraudulent prescriptions cost approximately \$1,300 to \$1,500 and were paid for in cash. The pharmacists that filled the fraudulent prescriptions did so based solely on their belief that each prescription was validly issued by a physician.

Shauna Willis had pled guilty to federal charges and has been sentenced.

The investigation was a cooperative effort between the Billings Police Department City/County Special Investigations Unit and Rocky Mountain High Intensity Drug Trafficking Area Task Force and the DEA Diversion Investigators.

WAYNE RICHARD HEURING

On December 15, 2010, WAYNE RICHARD HEURING, a 51-year-old resident of Billings, was sentenced to a term of:

- Prison: 120 months
- Special Assessment: \$100
- Supervised Release: 5 years

HEURING was sentenced in connection with his guilty plea to conspiracy to possess with the intent to distribute and distribution of cocaine.

Assistant U.S. Attorney James E. Seykora stated that the government would have proved at trial the following:

HEURING was involved with other individuals in a conspiracy to possess with the intent to distribute and the distribution of cocaine.

The investigation was conducted by a cooperative effort between the Drug Enforcement Administration and the Montana Division of Criminal Investigation.

HARRY TRUMAN HICKS

On December 16, 2010, HARRY TRUMAN HICKS, age 36, HICKS was sentenced to a term of:

- Prison: 300 months
- Special Assessment: \$100
- Supervised Release: 5 years

HICKS was sentenced in connection with his guilty plea to conspiracy to distribute methamphetamine.

In an Offer of Proof filed by Assistant U.S. Attorney Joseph E. Thaggard, the government stated it would have proved at trial the following:

In March 2009, members of the Tri-Agency Safe Trails Task Force (TASTTF), which is based in Havre, began to investigate allegations that methamphetamine was being transported from the state of Washington to the Havre area for distribution. As part of the investigation, the task force learned that HICKS was involved in the activity, namely by obtaining methamphetamine in Washington and distributing the drug to his associates in Havre.

On May 27, 2009, an informant told members of the task force that the informant had purchased over an ounce of methamphetamine from HICKS in the preceding five to six months.

On June 27, 2009, an agent with the Missoula High Intensity Drug Trafficking Area (HIDTA) Task Force arrested HICKS on an outstanding arrest warrant. The agent recovered 33 bindles of methamphetamine on HICKS. The methamphetamine, which had a net weight of approximately 4.9 grams, was packaged for street sales.

On June 30, 2009, members of the TASTTF interviewed HICKS. HICKS stated he obtained methamphetamine from sources in Washington, and that in the preceding eight months, he had obtained one to one and one-half ounces of methamphetamine per week from one source in Washington.

HICKS also stated that he delivered the methamphetamine to people in Browning and Havre. He stated that BW and LB were among the people in Havre who received methamphetamine from him. HICKS further stated that he used the proceeds from the delivery of drugs to support his children and their mothers.

On July 6, 2009, members of the TASTTF interviewed LB. LB stated that LB met HICKS in June 2008. LB stated that LB distributed between one and two pounds of methamphetamine on HICKS's behalf. LB stated that LB wired money to a person in Washington on HICKS's behalf.

On July 8, 2009, a TASTTF agent interviewed an informant. The informant stated that, in January or February 2009, the informant saw HICKS in possession of approximately 100 grams of methamphetamine.

The investigation was a cooperative effort between the Federal Bureau of Investigation and the Tri-Agency Safe Trails Task Force.

DRURY HILL

On July 21, 2010, DRURY HILL, a 32-year-old resident of Billings, was sentenced to a term of:

- Prison: 270 months
- Special Assessment: \$200
- Supervised Release: 5 years

HILL was sentenced in connection with his guilty plea to conspiracy to possess with the intent to distribute and distribution of methamphetamine, and possession of a firearm in furtherance of a drug trafficking crime.

In an Offer of Proof filed by Assistant U.S. Attorney James E. Seykora, the government stated it would have proved at trial the following:

From January 2007 until late 2008, HILL was involved in a conspiracy to possess and distribute multi-ounce and pound quantities of methamphetamine in the Billings area.

The investigation was a cooperative effort between the Drug Enforcement Administration, the Bureau of Alcohol, Tobacco, Firearms and Explosives, the U.S. Immigration and Customs Enforcement, the Yellowstone County Sheriff's Office, and the High Intensity Drug Trafficking Area (HIDTA) Task Force.

MARTIN RAY HOULE

On July 22, 2010, MARTIN RAY HOULE, a 31-year-old resident of Great Falls, was sentenced to a term of:

- Prison: 17 months
- Special Assessment: \$100
- Supervised Release: 3 years

HOULE was sentenced in connection with his guilty plea to distribution of cocaine.

In an Offer of Proof filed by Assistant U.S. Attorney Joseph E. Thaggard, the government stated it would have proved at trial the following:

In approximately July of 2009, members of the Great Falls Safe Streets Task Force began to investigate allegations that certain individuals in Great Falls, including HOULE, had distributed cocaine.

As part of the investigation, the officers learned from B.A. that HOULE distributed approximately one ounce of cocaine to B.A. between April and June 2009. B.A., in turn, distributed the cocaine to others in the Great Falls area.

On August 10, 2009, two members of the Great Falls Safe Streets Task Force interviewed HOULE. HOULE admitted that in approximately March 2009, he was approached by Reynaldo Medina who asked for his assistance in distributing cocaine in Great Falls. HOULE admitted that between March and June 2009, he assisted Medina

by distributing between two and three ounces of cocaine.

Medina pled guilty to federal charges and has been sentenced.

The investigation was conducted by the Great Falls Police Department and the Federal Bureau of Investigation.

DONAVON KIETH HURLBERT

On June 3, 2010, DONAVON KIETH HURLBERT, a 46-year-old resident of Butte, was sentenced to a term of:

- Prison: 120 months
- Special Assessment: \$100
- Supervised Release: 5 years

HURLBERT was sentenced in connection with his guilty plea to conspiracy to distribute methamphetamine.

In an Offer of Proof filed by Assistant U.S. Attorney Timothy J. Racicot, the government stated it would have proved at trial the following:

U.S. Immigration and Customs Enforcement, the Butte-Silver Bow Law Enforcement Agency, and the Southwest Montana Drug Task Force have been investigating a methamphetamine-trafficking organization in the Butte area since 2008. The organization is responsible for distributing pounds of meth in Silver Bow, Jefferson, Lewis and Clark, and Gallatin Counties.

HURLBERT's role within the organization was that of a mid-level supplier. He bought methamphetamine from Anthony Kerner and distributed that meth in Butte and Bozeman. Law enforcement officers interviewed HURLBERT's co-conspirators as well as some of his customers, all of whom corroborated HURLBERT's involvement in the conspiracy. When interviewed, he admitted that he bought at least 52 ounces (1,474 grams) of methamphetamine.

Law enforcement officers executed a search warrant at HURLBERT's Butte residence on September 14, 2009. They seized methamphetamine, drug ledgers, and other indicia consistent with the use and distribution of methamphetamine.

The investigation was a cooperative effort between U.S. Immigration and Customs Enforcement, the Butte-Silver Bow Law Enforcement Agency, and the Southwest Montana Drug Task Force.

JOHN FREDERICK JAEGER

On December 2, 2010, JOHN FREDERICK JAEGER, a 48-year-old resident of Butte, was sentenced to a term of:

- Prison: 108 months
- Special Assessment: \$400
- Supervised Release: 6 years

JAEGER was sentenced in connection with his guilty plea to conspiracy to distribute methamphetamine and distribution of methamphetamine.

In an Offer of Proof filed by Assistant U.S. Attorney Tara J. Elliott, the government stated it would have proved at trial the following:

A group of individuals, including JAEGER and other United States citizens and Mexican nationals, were involved in the distribution of multiple pounds of methamphetamine throughout southwestern Montana. Dealers from California would distribute methamphetamine to the Butte and Missoula areas of Montana. A member of the group would travel to Butte to drop off the methamphetamine. A number of people from Butte would sell the methamphetamine and later pay for it by depositing money in local branches of Wells Fargo Bank (WFB), in accounts established and maintained by the California drug organization. In the ongoing investigation, agents purchased illegal drugs from JAEGER, and on more than one occasion, JAEGER distributed methamphetamine to a person under age 21.

The investigation was a cooperative effort between the U.S. Homeland Security Investigations and the Southwest Montana Drug Task Force.

NATHANIEL JANSEN

On March 31, 2010, NATHANIEL JANSEN, a resident of Billings, was sentenced to a term of:

- Prison: 144 months
- Special Assessment: \$100
- Supervised Release: 4 years

JANSEN was sentenced in connection with his guilty plea to distribution of methamphetamine.

In an Offer of Proof filed by Assistant U.S. Attorney James E. Seykora, the government stated it would have proved at trial the following:

Approximately mid-2006, FBI Big Sky Safe Streets Task Force members began

obtaining information suggesting an organization that involved JANSEN was responsible for distributing large amounts of cocaine and methamphetamine in Billings.

In early 2008, agents began interviewing co-conspirators and taking investigative actions aimed at dismantling the organization.

Utilizing an FBI Confidential Human Source (CHS), an FBI Undercover Employee (UCE) was introduced to JANSEN in August of 2008. Subsequently, the UCE arranged to purchase methamphetamine from or through JANSEN on the following occasions:

- August 8, 2008 (3.5 grams net; 42.5% purity; 1.4 grams actual drug);
- August 13, 2008 (6.9 grams net; 28.7% purity; 1.9 grams actual drug);
- February 10, 2009 (3.4 grams net; 40.4% purity; 1.3 grams actual drug);
- February 11, 2009 (3.2 grams – uncontrolled); and,
- February 17, 2009 (3.0 grams – uncontrolled).

On March 4, 2009, JANSEN was arrested with 5.4 grams of methamphetamine (36.3% pure), or 1.9 grams of actual methamphetamine. JANSEN admitted that between 2007 and 2009, he obtained approximately one to one and a half pounds (1 to 1½) of methamphetamine from Chester Secrist, Shimmeri Selph, and others for redistribution. The amount of methamphetamine JANSEN possessed with intent to distribute exceeded 500 grams of a mixture of methamphetamine. In addition, JANSEN has admitted that he possessed a firearm during the time he was distributing methamphetamine.

Secrist and Selph pled guilty to federal charges.

The investigation was conducted by the Federal Bureau of Investigation's Billings Big Sky Safe Streets Task Force.

ANTHONY JOHN KERNER

On June 3, 2010, ANTHONY JOHN KERNER, a 44-year-old resident of Butte, appeared for sentencing.

In Cause No. 09-27-BU-DWM, KERNER was sentenced in connection with his guilty plea to conspiracy to distribute methamphetamine to a term of:

- Prison: 204 months
- Special Assessment: \$100
- Supervised Release: 10 years

In Cause No. 09-28-BU-DWM, KERNER was sentenced in connection with his guilty plea to theft of government property to a term of:

- Prison: 24 months
- Special Assessment: \$100
- Restitution: \$13,172.57
- Supervised Release: 10 years

Sentences will run concurrently.

In an Offer of Proof filed by Assistant U.S. Attorney Timothy J. Racicot in Cause No. 09-27-BU-DWM, the government stated it would have proved at trial the following:

U.S. Immigration and Customs Enforcement, the Butte-Silver Bow Law Enforcement Agency, and the Southwest Montana Drug Task Force have been investigating a methamphetamine-trafficking organization in the Butte area since 2008. The organization is responsible for distributing pounds of meth in Silver Bow, Jefferson, Lewis and Clark, and Gallatin Counties.

On October 8, 2009, KERNER bonded Moriah Beckman, one of his co-conspirators, out of the Jefferson County Detention Center in Boulder. KERNER and Beckman then drove to Montana City to sell three ounces of methamphetamine to a confidential informant. Before the deal transpired, KERNER and Beckman were stopped and arrested. Officers searched the vehicle they were driving and seized six ounces of meth. That same night, officers searched KERNER's house in Butte and seized more than 600 grams of methamphetamine.

KERNER was interviewed on October 8th and October 13, 2009. During those interviews, he admitted his involvement in the conspiracy. He described his role in the organization and estimated that he had received and distributed at least eight pounds of methamphetamine from April to October 2009.

Beckman pled guilty to federal charges and has been sentenced.

The investigation was a cooperative effort between the U.S. Immigration and Customs Enforcement, the Butte-Silver Bow Law Enforcement Agency, and the Southwest Montana Drug Task Force.

In an Offer of Proof filed by Assistant U.S. Attorney Timothy J. Racicot in Cause No. 09-28-BU-DWM, the government stated it would have proved at trial the following:

On August 18, 2009, KERNER and another person broke into the Beal Mountain Reclamation Facility in the Beaverhead-Deerlodge National Forest. A Forest Service employee and an employee of Tetra Tech, the company performing the reclamation at the mine, encountered KERNER and the other person leaving the mine site. KERNER's pickup was loaded with property, some of which belonged to Tetra Tech and some of which belonged to the Forest Service. Among the items in KERNER's truck were a Polaris ATV (Tetra Tech property), generators (government property),

pumps, electrical panels and cables, buckets of bolts, and pump assemblies.

KERNER and his accomplice gave false names to the Forest Service and Tetra Tech employees and KERNER said he was at the facility to pick up scrap metal that he had purchased from the Montana Department of Environmental Quality at an auction in 2008. The employees told KERNER that he had to unload the truck, which he did, and they recognized many items of property that were not part of the DEQ auction.

After KERNER left the area, the Tetra Tech employee surveyed the damage to the facility. The pump that operated an overflow treated water tank had been damaged, a large electrical line had been cut, and a transducer had been removed, which caused the plant to shut down in order to control the contaminated water. Interior and exterior locked doors were damaged, windows were broken, and numerous items of property were moved, damaged or missing.

On August 19, 2009, the Forest Service employee and the Tetra Tech employee went to the Butte police station to review photos in an attempt to identify the suspects. The male suspect was identified as KERNER.

Also on August 19, 2009, law enforcement learned that the Beal Mountain Facility had again been breached, and the Polaris ATV and one of the generators had again been stolen. The facility's gates had also been damaged. Later interviews revealed that KERNER participated in the August 19th break-in as well as the August 18th break-in. He attempted to trade the Polaris ATV and the generator to other residents of Butte.

The government property that was stolen or damaged has a value in excess of \$1,000.

The investigation was conducted by the Law Enforcement and Investigations Division of the U.S. Forest Service.

CORINNA IVY KERNER

On June 24, 2010, CORINNA IVY KERNER, a 33-year-old resident of Butte, was sentenced to a term of:

- Prison: 72 months
- Special Assessment: \$100
- Supervised Release: 5 years

KERNER was sentenced in connection with her guilty plea to conspiracy to distribute 500 or more grams of methamphetamine.

In an Offer of Proof filed by Assistant U.S. Attorney Timothy J. Racicot, the government stated it would have proved at trial the following:

The U.S. Immigration and Customs Enforcement, the Butte-Silver Bow Law Enforcement Agency, and the Southwest Montana Drug Task Force had been investigating a methamphetamine-trafficking organization in the Butte area since 2008. The organization is responsible for distributing pounds of meth in Silver Bow, Jefferson, Lewis and Clark, and Gallatin Counties.

On October 8, 2009, Anthony Kerner bonded Moriah Beckman out of the Jefferson County Detention Center in Boulder. Anthony Kerner and Beckman then drove to Montana City to sell three ounces of methamphetamine to a confidential informant. Before the deal transpired, Kerner and Beckman were stopped and arrested. Officers searched the vehicle they were driving and seized six ounces of meth.

That same night, officers searched Anthony and Corinna Kerner's house in Butte and seized more than 600 grams of methamphetamine. CORINNA KERNER was present during the search. She admitted to smoking methamphetamine earlier that day and told law enforcement that if there was meth in the house, it would likely be in the basement storage room. Some of the meth seized from the house was found in that storage room.

On October 13, 2009, CORINNA KERNER was interviewed and asked about her role in the conspiracy. She admitted to handling the money – counting drug proceeds and putting it in a safe in the Kerner residence. She said the most money she ever counted was approximately \$25,000, and that she dealt with that amount every few weeks from at least April 2009 until October 2009.

Other co-conspirators also provided information about CORINNA KERNER. They confirmed her role as money handler, and also said that she made at least one trip to Arizona to transport methamphetamine back to Butte. Records obtained by investigating agents indicate that CORINNA KERNER flew from Butte to Phoenix, Arizona, on February 4, 2009.

Anthony Kerner and Moriah Beckman pled guilty to federal charges and have been sentenced.

The investigation was a cooperative effort between the U.S. Immigration and Customs Enforcement, the Butte-Silver Bow Law Enforcement Agency, and the Southwest Montana Drug Task Force.

NICHOLAS KOJETIN

On September 22, 2010, NICHOLAS KOJETIN, a resident of Billings, was sentenced to a term of:

- Prison: 24 months
- Special Assessment: \$100

- Supervised Release: 3 years

KOJETIN was sentenced in connection with his guilty plea to conspiracy to possess with the intent to distribute ecstasy and distribution of ecstasy.

In an Offer of Proof filed by Assistant U.S. Attorney James E. Seykora, the government stated it would have proved at trial the following:

In 2008, KOJETIN was involved in a conspiracy with other individuals to possess with the intent to distribute ecstasy and distribution of ecstasy in the Billings area.

The investigation was a cooperative effort between the Billings Big Sky Safe Streets Task Force and the High Intensity Drug Trafficking Area (HIDTA) Task Force.

RUSSELL DANILOVICH KONKIN

On July 20, 2010, RUSSELL DANILOVICH KONKIN, a 23-year-old resident of Helena, was sentenced to a term of:

- Prison: 60 months
- Special Assessment: \$100
- Supervised Release: 5 years

KONKIN was sentenced in connection with his guilty plea to the use or possession of a firearm during a drug-trafficking crime or in furtherance of a drug-trafficking crime.

In an Offer of Proof filed by Assistant U.S. Attorney Tara J. Elliott, the government stated it would have proved at trial the following:

On February 23, 2009, KONKIN and another individual both fired a Hi-Point 9mm pistol near Helena. Witnesses would have testified that KONKIN possessed this pistol, at least in part, to defend himself and his marijuana as he was engaged in the business of distributing marijuana at the time.

The investigation was conducted by the Bureau of Alcohol, Tobacco, Firearms and Explosives.

WENDELL DEAN KOPP

On October 21, 2010, WENDELL DEAN KOPP, was sentenced to a term of:

- Prison: life plus 5 years
- Special Assessment: \$400
- Forfeiture: \$5,148 in cash
- Supervised Release: 10 years

KOPP was sentenced after having been found guilty during trial of conspiracy to possess with the intent to distribute/distribution of methamphetamine, possession with the intent to distribute methamphetamine and (2) counts of the use or possession of a firearm during a drug-trafficking crime or in furtherance of a drug-trafficking crime. Assistant U.S. Attorney James E. Seykora prosecuted the case for the United States.

The investigation was conducted by the Billings Big Sky Safe Streets Task Force.

MATTHEW LAMONACA

On May 5, 2010, MATTHEW LAMONACA, age 31, was sentenced to a term of:

- Prison: 20 months
- Special Assessment: \$100
- Supervised Release: 4 years

LAMONACA was sentenced in connection with his guilty plea to possession with the intent to distribute cocaine.

In an Offer of Proof filed by Assistant U.S. Attorney Joseph E. Thaggard, the government stated it would have proved at trial the following:

On September 8, 2008, Drug Enforcement Administration (DEA) agents surveilled LAMONACA at a Self Storage following a suspected drug deal. Follow up on the storage unit showed LAMONACA had a gun safe in the unit he was renting.

On September 9, 2008, DEA agents received a federal search warrant for LAMONACA's residence. During that search, keys to a storage facility lock were seized.

When interviewed, LAMONACA provided consent to search the safe he maintained in his storage locker. He stated that the agents would find approximately 1 pound of cocaine, a scale, bong and other miscellaneous drug paraphernalia in the safe.

On September 12, 2008, a black Centurion safe by Liberty was searched and the following were seized:

- (a) white powder substance in plastic baggies inside zip lock baggies (737.6 grams);
- (b) four small containers with white powder residue in a plastic bag (60.0 grams);
- (c) green leafy substance in a baggie and plastic container; and,
- (d) two bongs, glass pipe, two digital scales, and other drug paraphernalia.

On October 24, 2008, the white powder substances were tested by the DEA laboratory and a detectable amount of the substance (77 grams) was positive for cocaine.

The investigation was conducted by the Drug Enforcement Administration.

BENITO LOZOYA

On October 8, 2010, BENITO LOZOYA, a 37-year-old resident of Denver, Colorado, was sentenced to a term of:

- Prison: 92 months
- Special Assessment: \$100
- Supervised Release: 8 years

LOZOYA was sentenced in connection with his guilty plea to conspiracy to distribute methamphetamine.

In an Offer of Proof filed by Assistant U.S. Attorney Timothy J. Racicot, the government stated it would have proved at trial the following:

The U.S. Immigration and Customs Enforcement (ICE), the Butte Silver Bow Law Enforcement Agency (BSBLEA), and the Southwest Montana Drug Task Force (SMDTF) have been investigating a methamphetamine-trafficking organization in the Butte area since 2008. That investigation has led to the prosecution and conviction of eight people for conspiracy to distribute pounds of meth in Silver Bow, Jefferson, Lewis and Clark, and Gallatin Counties.

One of the conspirators in the investigation was interviewed by law enforcement and provided information about LOZOYA, who served as a source of supply for methamphetamine from Denver. The conspirator told law enforcement that LOZOYA was still in contact and was interested in transporting a quantity of meth to Butte. The investigating officers enlisted the assistance of the conspirator in placing telephone calls to LOZOYA, who arranged to meet the conspirator in Butte to distribute six ounces of methamphetamine.

On March 23, 2010, LOZOYA and another individual arrived in Butte driving a rental car. The conspirator arranged to meet them in a business parking lot. Instead, law enforcement officers confronted LOZOYA and the other individual, employed a trained K-9 on the car, who alerted to the odor of drugs, and seized the car in order to obtain a search warrant. During the subsequent search, the officers seized approximately six ounces (170.1 grams) of methamphetamine from the engine compartment, precisely where the conspirator said it would be and had been during prior transactions with LOZOYA.

LOZOYA initially declined to be interviewed, but later requested to speak with officers and admitted to being involved in the conspiracy. He admitted that he knew about the deal that was supposed to transpire on March 23, 2010, and had made a few other trips to Butte to deliver methamphetamine to the conspirator referenced above.

The investigation was a cooperative effort between U.S. Immigration and Customs Enforcement, the Butte-Silver Bow Law Enforcement Agency and the Southwest Montana Drug Task Force.

BURHAN MALLAK

On December 15, 2010, BURHAN MALLAK, a 51-year-old resident of Billings, was sentenced to a term of:

- Prison: 60 months
- Special Assessment: \$100
- Supervised Release: 5 years

MALLAK was sentenced in connection with his guilty plea to distribution of methamphetamine.

In an Offer of Proof filed by Special Assistant U.S. Attorney Sheila R. Kolar, the government stated it would have proved at trial the following:

On August 11, 2005, law enforcement interviewed a source who stated he/she observed a lot of short term traffic at MALLAK's residence.

On July 12, 2006, a second source was interviewed. The source stated he/she was present when MALLAK offered another individual a few ounces of methamphetamine to pay off a drug debt.

On or about the beginning of July 2006 until the end of July 2006, MALLAK sold approximately 5 grams of methamphetamine, a Schedule II controlled substance, to an individual on several different occasions. The individual stated he/she paid MALLAK \$100 per gram for the methamphetamine.

On or about November 2007 until early 2008, MALLAK sold approximately 84-112 grams of methamphetamine, a Schedule II controlled substance to an individual.

On January 16, 2009, a source was interviewed and stated that he/she had met MALLAK and on several occasions between late December 2008 to early January 2009 the source made arrangements for people to buy methamphetamine from MALLAK.

On September 29, 2009, another source was interviewed. The source stated he/she had started receiving methamphetamine from MALLAK in March of 2006. The source stated at first he/she was receiving one-eighth ounce of methamphetamine every other day for about four months. The source then started receiving one-quarter ounce to a half-ounce of methamphetamine on a daily basis for about three weeks. The source would pay MALLAK \$1,000 for a half-ounce of methamphetamine.

The investigation was conducted by the Drug Enforcement Administration.

RYAN EDWARD McCREARY

On March 11, 2010, RYAN EDWARD McCREARY, a 29-year-old resident of Tacoma, Washington, was sentenced to a term of:

- Prison: 120 months
- Special Assessment: \$100
- Supervised Release: 8 years

McCREARY was sentenced in connection with his guilty plea to possession with the intent to distribute methamphetamine.

In an Offer of Proof filed by Assistant U.S. Attorney Paulette L. Stewart, the government stated it would have proved at trial the following:

On March 27, 2009, Helena area law enforcement stopped and arrested McCREARY on a warrant for Washington State Probation (WSP). WSP also asked Helena area law enforcement to search McCREARY and his vehicle for them. Officers located 64 grams of a mixture containing methamphetamine in McCREARY'S backpack.

When interviewed on March 30, 2009, McCREARY admitted bringing over 72 grams of a mixture containing methamphetamine from Washington to Helena to sell.

The investigation was conducted by a cooperative effort between the Missouri River Drug Task Force and the Bureau of Immigration and Customs Enforcement.

TORRENCE KYERE McGEE

On June 25, 2010, TORRENCE KYERE McGEE, a resident of North Dakota and Louisiana, was sentenced to a term of:

- Prison: 20 months, consecutive to another sentence in Louisiana
- Special Assessment: \$200
- Supervised Release: 6 years

McGEE was sentenced in connection with his guilty plea to distribution of cocaine.

In an Offer of Proof filed by Assistant U.S. Attorney James E. Seykora, the government stated it would have proved at trial the following:

In 2008 and 2009, McGEE was involved in distribution of cocaine in the Billings area.

The investigation was a cooperative effort between the Drug Enforcement

Administration, the Federal Bureau of Investigation, the U.S. Immigration and Customs Enforcement, the Eastern Montana High Intensity Drug Trafficking Area (HIDTA) Task Force, the U.S. Marshals Service and the Billings Big Sky Safe Streets Task Force.

REYNALDO MEDINA

On July 22, 2010, REYNALDO MEDINA, a 38-year-old resident of Aurora, Colorado, was sentenced to a term of:

- Prison: 105 months
- Special Assessment: \$100
- Supervised Release: 3 years

MEDINA was sentenced in connection with his guilty plea to conspiracy to distribute cocaine.

In an Offer of Proof filed by Assistant U.S. Attorney Joseph E. Thaggard, the government stated it would have proved at trial the following:

In approximately July of 2009, members of the Great Falls Safe Streets Task Force began to investigate allegations that certain individuals in Great Falls, including MEDINA, had distributed cocaine.

On July 15, 2009, a confidential source stated that the source had traveled with MEDINA to Denver, Colorado, once in May 2009 and once in June 2009, to obtain cocaine. During the May 2009 trip, MEDINA obtained a baseball size chunk of cocaine. During the June 2009 trip, MEDINA obtained two ounces of cocaine.

On July 23, 2009, a confidential informant (CI), acting at the behest of law enforcement officers, contacted MEDINA in order to purchase cocaine. MEDINA referred the CI to N.M., an unindicted coconspirator. N.M. subsequently sold five grams of cocaine to the CI.

On August 7, 2009, agents of the Billings Safe Streets Task Force approached MEDINA at the Greyhound Bus Station in Billings. MEDINA consented to a search of his possessions. The agents found 115 net grams of cocaine in MEDINA's belongings.

On August 10, 2009, law enforcement officers interviewed Martin Houle. Houle stated he met MEDINA in December 2008. Houle said that, in March 2009, MEDINA brought one and one-half ounces of cocaine to Houle's residence. Houle stated that he and others helped MEDINA distribute the cocaine.

Houle further stated that, in late April or early May 2009, he saw MEDINA in possession of eight ounces of cocaine. Houle stated that, on another occasion in May 2009, MEDINA stated he had purchased another eight ounces of cocaine in Denver.

Houle pled guilty to federal charges and has been sentenced.

The investigation was a cooperative effort between the Great Falls Police Department and the Federal Bureau of Investigation.

STRIDER LEE MOORE

On January 15, 2010, STRIDER LEE MOORE, a 20-year-old resident of Bozeman, was sentenced to a term of:

- Prison: 36 months
- Special Assessment: \$100
- Supervised Release: 3 years

MOORE was sentenced in connection with his guilty plea to distribution of cocaine.

In an Offer of Proof filed by Assistant U.S. Attorney Timothy J. Racicot, the government stated it would have proved at trial the following:

In August 2006, the Missouri River Drug Task Force and the FBI began investigating two cocaine-trafficking organizations in the Bozeman area. Several individuals were investigated, charged, and convicted of conspiracy to distribute cocaine and distribution of cocaine. Some of those individuals cooperated with the ongoing investigation. One such individual was R.G. R.G. admitted to distributing a substantial quantity of cocaine in Bozeman from the summer of 2005 until the spring of 2007. He told law enforcement during interviews on May 11 and 29, 2007, that he personally supplied MOORE with 8-balls and ounces of cocaine. The most he gave MOORE at one time was two ounces.

In an attempt to corroborate the information received from R.G. and others, law enforcement officers interviewed several low-level cocaine users and dealers in and around Bozeman. During one interview, D.J. told law enforcement that in approximately January 2004, he began buying 8-balls of cocaine from MOORE on a daily basis. D.J. bought the cocaine for both personal use and to distribute to others. He sometimes purchased up to three 8-balls per day from MOORE, and sometimes went a few days without buying any, depending on the demands of his customers. D.J. stopped getting cocaine from MOORE in April 2004, but started buying from him again in approximately July of 2005, again buying one to three 8-balls per day. D.J. continued to get cocaine from MOORE until the summer of 2006.

R.L. and Z.H. also bought cocaine from MOORE, beginning in approximately March 2004. R.L. bought between one and three 8-balls from MOORE per week until December 2004. Z.H. told law enforcement that he got grams or 8-balls from MOORE three or four times per week for 18 months. He bought from MOORE at MOORE'S residence in Bozeman. Z.H. described a coffee table with a removable panel, which MOORE used to store the cocaine he sold to Z.H. During a probation search of

MOORE'S residence in February 2009, officers found one 8-ball of cocaine, a small amount of marijuana, and a pill bottle with MOORE'S name on it, all in a compartment in a coffee table.

The investigation was a cooperative effort between the Missouri River Drug Task Force and the Federal Bureau of Investigation.

DAMASO RENE OBESO-FELIX

On August 11, 2010, DAMASO RENE OBESO-FELIX, a 33-year-old citizen of Mexico, was sentenced to a term of:

- Prison: 151 months
- Special Assessment: \$100
- Forfeiture: \$8,500 cash & 2000 Ford Explorer

OBESO-FELIX was sentenced in connection with his guilty plea to conspiracy to possess with the intent to distribute methamphetamine.

In an Offer of Proof filed by Assistant U.S. Attorney James E. Seykora, the government stated it would have proved at trial the following:

OBESO-FELIX was involved in a conspiracy with other individuals to possess with the intent to distribute methamphetamine.

The investigation was a cooperative effort between the Billings Big Sky Safe Streets Task Force and the High Intensity Drug Trafficking Area (HIDTA) Task Force.

LAYNE PAVEY

On March 5, 2010, LAYNE PAVEY, a 26-year-old resident of Billings, was sentenced to a term of:

- Prison: 20 months
- Special Assessment: \$100
- Supervised Release: 4 years

PAVEY was sentenced in connection with her guilty plea to conspiracy to possess with the intent to distribute of cocaine.

In an Offer of Proof filed by Assistant U.S. Attorney James E. Seykora, the government stated it would have proved at trial the following:

In the fall of 2008, agents with the F.B.I. and D.E.A. began conducting independent drug trafficking cases targeting several subjects in Billings. They later realized the different cells were connected to the same source of supply and began working the

case jointly. The source of supply in Billings was identified as Shon Kalani Flores.

It was determined that Flores was residing with PAVEY in her Billings residence. The investigation further revealed that PAVEY lived with Flores at the address and had been engaged in an intimate relationship with him over several years. However, in January of 2009, PAVEY moved out of the house but allowed Flores to continue residing there. Flores continued to store and distribute cocaine from PAVEY'S residence and conduct other conspiratorial acts during the period of the conspiracy.

PAVEY allowed Flores to use rental cars that had been rented in her name to drive to Salt Lake City, Utah, for the purpose of picking up multiple ounce quantities of cocaine and bringing it back to Billings for redistribution. PAVEY also accompanied Flores on at least two trips to Salt Lake City for the purpose of obtaining and transporting multiple ounce quantities of cocaine back to Billings for redistribution. In addition, PAVEY helped finance trips to Salt Lake City to pick up cocaine with her bank card.

During the period of the conspiracy, PAVEY utilized her cell phone for both voice and text messages to negotiate, arrange, and set up cocaine meetings, buys, and deliveries of cocaine in various quantities in the Billing area.

PAVEY introduced P.H. to Flores. Shortly after meeting Flores, P.H. began obtaining cocaine from Flores and PAVEY for herself, her husband, and another individual. The investigation yielded information that PAVEY delivered cocaine on behalf of Flores or arranged for the delivery of cocaine to P.H. on several occasions.

The amount of cocaine that PAVEY was responsible for and which was directly and reasonably foreseeable to her in the conspiracy exceeded 500 grams.

The investigation was a cooperative effort between the Drug Enforcement Administration, the Federal Bureau of Investigation, the U.S. Immigration and Customs Enforcement, the Eastern Montana High Intensity Drug Trafficking Area (HIDTA) Task Force, the U.S. Marshals Service and the Billings Big Sky Safe Streets Task Force.

TINA JOANN

On June 16, 2010, TINA JOANN PEREZ, a 45-year-old resident of Modesto, California, was sentenced to a term of:

- Prison: 30 months
- Special Assessment: \$100
- Supervised Release: 5 years

PEREZ was sentenced in connection with her guilty plea to conspiracy to distribute cocaine.

In an Offer of Proof filed by Assistant U.S. Attorney Tara J. Elliott, the government stated it would have proved at trial the following:

On April 13, 2006, Matthew Gregorian and W.S. flew from Sacramento, California to Kalispell. The purpose of the trip was for Gregorian to supervise a cocaine sale. As Gregorian and W.S. were flying, PEREZ was traveling by car to Kalispell with at least 7.5 pounds of cocaine at Gregorian's request. The understanding was that once in Kalispell, the cocaine would be delivered and sold to M.D. Upon arriving, all four individuals met up at a motel in the area and then went to M.D.'s residence. At the residence, the cocaine was retrieved from the door panels of the car PEREZ was driving and M.D. took the cocaine. Gregorian and W.S. boarded a return flight to California the next day and PEREZ returned to California in the same vehicle.

Gregorian pled guilty to and has been sentenced on federal charges.

The investigation was conducted by U.S. Immigration and Customs Enforcement.

ANTONIO PEREZ

On September 17, 2010, ANTONIO PEREZ, a 23-year-old resident of Kent, Washington, was sentenced to a term of:

- Prison: 72 months
- Special Assessment: \$100
- Supervised Release: 4 years

PEREZ was sentenced in connection with his guilty plea to conspiracy to distribute cocaine.

In an Offer of Proof filed by Assistant U.S. Attorney Tara J. Elliott, the government stated it would have proved at trial the following:

On February 5, 2010, law enforcement stopped a silver Audi sedan that was traveling eastbound on I-90 between Huson and Frenchtown. The registered owner and driver was J. R., who gave signed consent to search his vehicle. The search of the vehicle resulted in the discovery of approximately 145 grams of cocaine. The cocaine was hidden in a compartment located in the center of the rear passenger seats. PEREZ was one of the two occupants of the rear seat of the vehicle.

Upon further investigation, it was determined that PEREZ was involved in the distribution of cocaine from approximately September 2009 through February of 2010. Various witnesses would have testified that PEREZ was responsible during this time frame for the distribution of more than 500 grams of cocaine in and around Missoula and Mineral Counties.

The investigation was conducted by the Drug Enforcement Administration.

STEVE S. PHAYSITH

On September 28, 2010, STEVE S. PHAYSITH, a 43-year-old resident of Marysville, Washington, was sentenced to a term of:

- Prison: 60 months
- Special Assessment: \$100
- Supervised Release: 4 years

PHAYSITH was sentenced in connection with his guilty plea to possession with the intent to distribute marijuana.

In an Offer of Proof filed by Assistant U.S. Attorney Timothy J. Racicot, the government stated it would have proved at trial the following:

On November 23, 2009, a Montana Highway Patrol trooper stopped PHAYSITH's truck for speeding on Interstate 90 near the Three Forks interchange. He issued PHAYSITH a warning for speeding and then asked PHAYSITH some questions about whether he was transporting drugs in the back of his truck. PHAYSITH eventually admitted that he had marijuana in the truck that he had been instructed to deliver to the Twin Cities in Minnesota.

Law enforcement officers from the Missouri River Drug Task Force executed a search warrant on PHAYSITH's truck and seized nine boxes, each filled with several vacuum-sealed, one-pound packages of marijuana. The DEA lab in San Francisco analyzed a statistical sample of the drugs and concluded that they were in fact marijuana. The total weight of the illicit substance was approximately 178 kilograms.

The investigation was a cooperative effort between the Montana Highway Patrol and the Missouri River Drug Task Force.

PERRY PINNER

On December 3, 2010, PERRY PINNER, a 35-year-old resident of Missoula, was sentenced to a term of:

- Prison: 12 months and 1 day
- Special Assessment: \$100
- Supervised Release: 4 years

PINNER was sentenced in connection with his guilty plea to conspiracy to manufacture marijuana.

Assistant U.S. Attorney Tara J. Elliott stated the government would have proved at trial the following:

From May 2006, to April 4, 2008, PINNER was involved in a conspiracy with other individuals to manufacture marijuana in the Missoula area.

The investigation was conducted by the Drug Enforcement Administration.

DALE WAYNE PRIBBLE

On April 22, 2010, DALE WAYNE PRIBBLE, a 30-year-old resident of Missoula, was sentenced to a term of:

- Prison: 63 months
- Special Assessment: \$100
- Supervised Release: 4 years

PRIBBLE was sentenced in connection with his guilty plea to conspiracy to distribute methamphetamine.

In an Offer of Proof filed by Assistant U.S. Attorney Tara J. Elliott, the government stated it would have proved at trial the following:

On four separate occasions between March of 2009, and May of 2009, PRIBBLE sold methamphetamine to a controlled source.

On May 14, 2009, PRIBBLE was also in possession of an additional quantity of methamphetamine. All together, PRIBBLE was responsible for conspiring to distribute more than 5 grams of actual methamphetamine, but less than 20 grams.

The investigation was conducted by the Drug Enforcement Administration.

LUIS ALBERTO RAMIREZ-GUZMAN

On September 17, 2010, LUIS ALBERTO RAMIREZ-GUZMAN, a 29-year-old resident of Franklin, Kentucky, was sentenced to a term of:

- Prison: 41 months
- Special Assessment: \$100
- Supervised Release: 5 years

RAMIREZ-GUZMAN was sentenced in connection with his guilty plea to conspiracy to distribute methamphetamine.

In an Offer of Proof filed by Assistant U.S. Attorney Tara J. Elliott, the government

stated it would have proved at trial the following:

On February 17, 2010, law enforcement conducted a "knock-and-talk" at a hotel in Butte, where contact was made with Juan Carlos Ramos-Alvarez (hereafter referred to as "Ramos"). During law enforcement's contact with Ramos, consent was obtained for law enforcement to search his room. During a search of the room, law enforcement discovered and seized multi-pound quantities of methamphetamine, suspected drug ledgers, and other indicia consistent with that of narcotics trafficking.

On February 17, 2010, based on information provided by a confidential source, law enforcement believed RAMIREZ-GUZMAN was registered at a Missoula hotel. Upon arriving at the hotel, law enforcement contacted and identified RAMIREZ-GUZMAN who was standing in front of the hotel lobby. At the request of law enforcement, RAMIREZ-GUZMAN consented to a search of his hotel room and his 2000 Chevy Tahoe that was parked in the hotel lot. During a search of the Tahoe, law enforcement discovered approximately \$7,630 in various denominations concealed behind the rear passenger seat of the vehicle.

When interviewed, RAMIREZ-GUZMAN advised that about 15 days prior he had driven Ramos from Seattle, Washington to Butte. RAMIREZ-GUZMAN said he had received a phone call on January 16, 2010, during which he was told that if he wanted to make \$500, he should call another individual who would give him instructions to drive to Montana to pick up money from another individual and take it back to Seattle. RAMIREZ-GUZMAN indicated he felt that the money he was to pick up was likely drug proceeds.

Ramos-Alvarez pled guilty to federal charges.

The investigation was a cooperative effort between the Drug Enforcement Administration and the U.S. Immigration and Customs Enforcement.

JUAN CARLOS RAMOS-ALVAREZ

On September 17, 2010, JUAN CARLOS RAMOS-ALVAREZ, a 25-year-old resident of Butte, was sentenced to a term of:

- Prison: 70 months
- Special Assessment: \$100
- Supervised Release: 5 years

RAMOS-ALVAREZ was sentenced in connection with his guilty plea to conspiracy to distribute methamphetamine.

In an Offer of Proof filed by Assistant U.S. Attorney Tara J. Elliott, the government stated it would have proved at trial the following:

From approximately December of 2009 through February 17, 2010, RAMOS-ALVAREZ and Luis Alberto Ramirez-Guzman were responsible for conspiring to distribute more than 500 grams of methamphetamine in and around the Butte area.

On February 18, 2010, RAMOS-ALVAREZ was questioned and stated that he and Ramirez-Guzman were partners in the distribution of methamphetamine in Montana. RAMOS-ALVAREZ also stated that around December of 2009, he and Ramirez-Guzman transported 5 pounds of methamphetamine, obtained by Ramirez-Guzman, from Hermiston, Oregon to Butte for distribution. Once in Butte, RAMOS-ALVAREZ stayed in a hotel where he distributed methamphetamine to three individuals from Butte, Missoula, and Billings over the course of several weeks.

During approximately the first week of February of 2010, Ramirez-Guzman transported an additional eight pounds of methamphetamine to RAMOS-ALVAREZ for distribution in Montana. RAMOS-ALVAREZ stated that approximately eight pounds out of the 13 total pounds of methamphetamine brought to Montana had been distributed and that law enforcement had seized approximately five pounds of methamphetamine from the hotel room.

The investigation was a cooperative effort between the Drug Enforcement Administration and the U.S. Immigration and Customs Enforcement.

CHASE ALLYN RAYNOCK

On February 17, 2010, CHASE ALLYN RAYNOCK, a 32-year-old resident of Billings, was sentenced to a term of:

- Prison: 18 months
- Special Assessment: \$100
- Supervised Release: 4 years

RAYNOCK was sentenced in connection with his guilty plea to conspiracy to possess with the intent to distribute and distribute cocaine.

In an Offer of Proof filed by Assistant U.S. Attorney James E. Seykora, the government stated it would have proved at trial the following:

In the fall of 2008, federal agents with the F.B.I. and D.E.A. began conducting independent drug trafficking cases targeting several subjects in Billings. They later realized the different cells were connected to the same source of supply and began working the case jointly. The source of supply in Billings was identified as Shon Kalani Flores.

It was determined that Flores was residing in Billings and during the period of the conspiracy RAYNOCK assisted Flores in obtaining cocaine, a Schedule II controlled

substance, for redistribution in the Billings area.

The investigation revealed that in January 2009, RAYNOCK traveled to Salt Lake City, Utah on behalf of Flores to pickup cocaine for Flores. RAYNOCK paid the source and returned with multiple ounces of cocaine and delivered it to Flores for redistribution.

RAYNOCK allowed Flores to use his vehicle on several occasions so that Flores could travel to Salt Lake City to pickup multiple ounces of cocaine. Flores picked up over half a pound of cocaine on each trip.

RAYNOCK received cash and controlled substances for the use of his vehicle during the period of the conspiracy.

In June 2009, a surveillance team followed Flores in RAYNOCK'S vehicle to Salt Lake City to the cocaine source.

The amount of cocaine that RAYNOCK was responsible for and which was directly and reasonably foreseeable to him in the conspiracy exceeded 500 grams.

The investigation was a cooperative effort between the Drug Enforcement Administration, the Federal Bureau of Investigation, the U.S. Immigration and Customs Enforcement, the Eastern Montana High Intensity Drug Trafficking Area (HIDTA) Task Force, the U.S. Marshals Service and the Billings Big Sky Safe Streets Task Force.

ROBERT EARL REED

On September 2, 2010, ROBERT EARL REED, a 35-year-old resident of Billings, was sentenced to a term of:

- Prison: 26 months
- Special Assessment: \$100
- Supervised Release: 3 years

REED was sentenced in connection with his guilty plea to conspiracy to possess with the intent to distribute methamphetamine and distribution of cocaine.

In an Offer of Proof filed by Assistant U.S. Attorney James E. Seykora, the government stated it would have proved at trial the following:

REED was involved in a conspiracy to possess with intent to distribute and distribution of cocaine, a Schedule II controlled substance, from late 2008 to mid-2009. REED would receive cocaine from at least two sources of supply, and then distribute the cocaine to various individuals, including an undercover agent. REED sold cocaine to the undercover agent over two dozen times, totaling over 250 grams.

During the course of the conspiracy, surveillance teams followed REED and other co-conspirators to locations where they obtained cocaine for redistribution.

The two individuals who supplied cocaine to REED were interviewed and admitted to providing REED with cocaine for redistribution. When questioned, REED admitted to obtaining cocaine from these individuals from late 2008 to mid-2009. He also admitted that he in turn redistributed the cocaine in various quantities to numerous individuals, in addition to the undercover officer, in the Billings area.

The amount of cocaine that Robert REED was responsible for and which was directly and reasonably foreseeable to him in the conspiracy exceeded 400 grams. The investigation was a cooperative effort between the Drug Enforcement Administration, the Federal Bureau of Investigation, the U.S. Immigration and Customs Enforcement, the Eastern Montana High Intensity Drug Trafficking Area (HIDTA) Task Force, the U.S. Marshals Service and the Billings Big Sky Safe Streets Task Force.

JORAN LOUIS RINDAL

On January 13, 2010, JORAN LOUIS RINDAL, a 21-year-old resident of Billings, was sentenced to a term of:

- Prison: 12 months
- Special Assessment: \$400
- Supervised Release: 6 years

RINDAL was sentenced in connection with his guilty plea to distribution of cocaine.

In an Offer of Proof filed by Assistant U.S. Attorney James E. Seykora, the government stated it would have proved at trial the following:

On numerous occasions during 2008 and 2009, RINDAL distributed cocaine to an undercover agent in Billings.

The investigation was conducted by the Billings Big Sky Safe Streets Task Force.

JEANETTE ROCHA

On January 22, 2010, JEANETTE ROCHA, a resident of Denver, Colorado, was sentenced to a term of:

- Prison: 42 months
- Special Assessment: \$100
- Supervised Release: 4 years

ROCHA was sentenced in connection with her guilty plea to possession with the intent

to distribute cocaine.

In an Offer of Proof filed by Assistant U.S. Attorney James E. Seykora, the government stated it would have proved at trial the following:

On November 16-17, 2006, in Billings, ROCHA was involved in possessing with the intent to distribute 2 kilograms of cocaine.

The investigation was a cooperative effort between the Drug Enforcement Administration, the High Intensity Drug Trafficking Area (HIDTA) Task Force and the U.S. Immigration and Customs Enforcement.

LUIS ALBERTO ROCHA

On July 21, 2010, LUIS ALBERTO ROCHA, a 27-year-old resident of Bozeman, was sentenced to a term of:

- Prison: 85 months
- Special Assessment: \$100
- Supervised Release: 8 years

ROCHA was sentenced in connection with his guilty plea to conspiracy to distribute cocaine.

In an Offer of Proof filed by Assistant U.S. Attorney Timothy J. Racicot, the government stated it would have proved at trial the following:

The investigation in this case began in 2008, when the FBI and the Missouri River Drug Task Force received information that several young males in the Bozeman area were distributing cocaine, including to local high school students. Specifically, law enforcement received information that cocaine was being distributed from a residence located not far from Bozeman High School. The task force members and the FBI began conducting surveillance on the house and eventually identified several men that appeared to be involved in the suspected distribution of cocaine. Officers also used confidential informants to make controlled purchases of cocaine in order to identify the members of the conspiracy. They eventually concluded that Christopher Stiles was one of the men selling cocaine and ROCHA was his supplier.

On June 26, 2009, Stiles sold two 8-balls of cocaine to an undercover officer. On July 1, 2009, Stiles sold approximately one-half ounce of cocaine to a confidential informant; and on January 6, 2010, Stiles sold one 8-ball of cocaine to a confidential informant.

On January 22, 2010, Stiles was interviewed by law enforcement. He admitted that he began receiving cocaine from ROCHA during the summer of 2008. He initially received one-half ounce each week, then one or two ounces per week, and eventually he

received two ounces per week. During his involvement in the conspiracy, Stiles received between approximately 1.5 and two kilograms of cocaine from ROCHA.

Stiles also assisted ROCHA in other aspects of the operation. He traveled with ROCHA on three separate occasions to pick up cocaine – twice to Albuquerque, New Mexico, and once to Albuquerque and to El Paso, Texas. When ROCHA returned to Bozeman with cocaine, he would usually double the quantity using inositol, ammonia, acetone, or ether. Stiles assisted ROCHA on one occasion when ROCHA cut one-quarter pound of cocaine in order to increase the weight to one-half pound. On another occasion, Stiles saw ROCHA in possession of one entire kilogram of cocaine.

Stiles pled guilty to federal charges and is awaiting sentencing.

The investigation was a cooperative effort between the Missouri River Drug Task Force and the Federal Bureau of Investigation.

JONATHAN RODRIGUEZ

On May 27, 2010, JONATHAN RODRIGUEZ, a 24-year-old resident of Billings, was sentenced to a term of:

- Prison: 105 months
- Special Assessment: \$100
- Supervised Release: 5 years

RODRIGUEZ was sentenced in connection with his guilty plea to conspiracy to possess with the intent to distribute methamphetamine and conspiracy to distribute methamphetamine.

In an Offer of Proof filed by Assistant U.S. Attorney James E. Seykora, the government stated it would have proved at trial the following:

On July 29, 2009, members of the FBI Big Sky Safe Streets Task Force executed a search warrant at RODRIGUEZ's Billings residence after receiving information that he had a large amount of methamphetamine at his residence. Probation officers had responded and located several ounces of suspected methamphetamine before summoning the task force.

A subsequent search yielded 617 grams of suspected methamphetamine, which field tested positive. DEA lab results show the amount to be 585.4 grams of a mixture of meth or 159.3 grams of actual methamphetamine.

When interviewed, RODRIGUEZ admitted to the following:

- He began obtaining and distributing methamphetamine in early January of

- 2009.
- Between January 2009 and July 29, 2009, he estimated that he received and re-distributed approximately nine to ten pounds of methamphetamine to various subjects in Billings.
- He directed other people, some of whom were juveniles, to wire money to his drug sources in Arizona as payment for drugs. RODRIGUEZ stated he provided them with the money to wire.
- The day he was arrested (July 29, 2009), he received approximately one and a half pounds of methamphetamine for re-distribution.

The investigation was conducted by the FBI's Big Sky Safe Streets Task Force and Probation and Parole.

ANTHONY RODRIGUEZ

On April 14, 2010, ANTHONY RODRIGUEZ, a 48-year-old resident of Billings, was sentenced to a term of:

- Prison: 300 months
- Special Assessment: \$200
- Supervised Release: 8 years

RODRIGUEZ was sentenced in connection with his guilty plea to distribution of methamphetamine.

In an Offer of Proof filed by Assistant U.S. Attorney James E. Seykora, the government stated it would have proved at trial the following:

On August 22, 2006, RODRIGUEZ sold 55.7 grams of a mixture of meth (31% pure or 17.2 grams of actual methamphetamine) to an FBI Cooperating Witness for \$4,000 at his residence in Billings.

On August 29, 2006, RODRIGUEZ sold 83.0 grams of a mixture of meth (31% pure or 25.70 grams of actual methamphetamine) to an FBI Cooperating Witness for \$6,000 at his residence at in Billings.

On August 26, 2008, RODRIGUEZ was arrested on a federal warrant. RODRIGUEZ had \$2,127 in cash and 20.10 grams of a mixture of methamphetamine (48.3% pure or 9.70 grams of actual) in his possession.

The investigation was conducted by the Federal Bureau of Investigation's Billings Big Sky Safe Streets Task Force.

THOMAS JOSEPH ROEBER

On August 26, 2010, THOMAS JOSEPH ROEBER, a 31-year-old resident of Helena, was sentenced to a term of:

- Prison: 40 months
- Special Assessment: \$100
- Supervised Release: 3 years

ROEBER was sentenced in connection with his guilty plea to distribution of methamphetamine.

In an Offer of Proof filed by Assistant U.S. Attorney Joseph E. Thaggard, the government stated it would have proved at trial the following:

On February 10, 2010, members of the Tri Agency Safe Trails Task Force (hereafter the "task force") were investigating the distribution of methamphetamine in Havre. A confidential informant assisted the agents in their investigation.

At approximately 3:15 p.m. on February 10, 2010, the informant went to a motel room in Havre. There, the informant purchased approximately eight grams of purported methamphetamine from ROEBER for \$700.

The informant provided the purported methamphetamine to agents of the task force. A Drug Enforcement Administration (DEA) chemist weighed and analyzed the purported methamphetamine. She concluded the substance in question had a net weight of eight grams and that the substance contained a detectable amount of methamphetamine, a Schedule II controlled substance.

The investigation was conducted by the Tri Agency Safe Trails Task Force and the Federal Bureau of Investigation.

CHAD NELSON SANFORD

On November 8, 2010, CHAD NELSON SANFORD, a 29-year-old resident of Aurora, Colorado, was sentenced to a term of:

- Prison: 36 months
- Special Assessment: \$100
- Supervised Release: 5 years

SANFORD was sentenced in connection with his guilty plea to conspiracy to possess with the intent to distribute cocaine.

In an Offer of Proof filed by Assistant U.S. Attorney Joseph E. Thaggard, the

government stated it would have proved at trial the following:

Over the course of 2008, the Montana Division of Criminal Investigation (MDCI) and the Drug Enforcement Administration (DEA) conducted a long-term investigation of cocaine trafficking in Billings.

As part of that investigation, on September 16, 2008, members of the Montana Highway Patrol and the Drug Enforcement Administration conducted a traffic stop on a vehicle driven by SANFORD. The vehicle contained approximately three kilograms of a substance containing a detectable amount of cocaine, as well as six pounds of marijuana.

When interviewed, SANFORD stated he was delivering the cocaine and marijuana to another person in Billings. SANFORD also stated he was delivering the drugs on behalf of James Mack and Travis Henry, who then resided in Colorado.

SANFORD also discussed the history of the conspiracy. SANFORD stated that earlier in the year he began to assist Mack and Henry in obtaining cocaine from sources in Arizona and Oregon. He stated that the amount of cocaine involved in those transactions exceeded five kilograms. SANFORD further stated that he also delivered kilograms of cocaine from Mack and Henry to Matt Lamonaca, a resident of Billings.

Henry, Lamonaca and Mack pled guilty to federal charges and have been sentenced.

The investigation was a cooperative effort between the Drug Enforcement Administration and the Montana Division of Criminal Investigation.

TIMOTHY SCHLEINING

On June 30, 2010, TIMOTHY SCHLEINING, a resident of Billings, was sentenced to a term of:

- Prison: 30 months
- Special Assessment: \$100
- Supervised Release: 3 years

SCHLEINING was sentenced in connection with his guilty plea to conspiracy to possess with the intent to distribute and distribution of marijuana.

In an Offer of Proof filed by Assistant U.S. Attorney James E. Seykora, the government stated it would have proved at trial the following:

SCHLEINING was involved with other individuals in a conspiracy to possess with the intent to distribute and distribution of between 60 and 80 kilograms of marijuana, a Schedule I controlled substance, in the Billings area.

The investigation was a cooperative effort between the Drug Enforcement Administration and the High Intensity Drug Trafficking Area (HIDTA) Task Force.

JUDD JAMES SCHWARTZ

On July 21, 2010, JUDD JAMES SCHWARTZ, a 37-year-old resident of Bozeman, was sentenced to a term of:

- Prison: 41 months
- Special Assessment: \$100
- Supervised Release: 4 years

SCHWARTZ was sentenced in connection with his guilty plea to conspiracy to distribute methamphetamine.

In an Offer of Proof filed by Assistant U.S. Attorney Timothy J. Racicot, the government stated it would have proved at trial the following:

The Missouri River Drug Task Force ("MRDTF") and the Drug Enforcement Administration ("DEA") began investigating a methamphetamine-trafficking organization in the Bozeman area in 2007. That organization is responsible for distributing pounds of meth in Gallatin County and the investigation has resulted in the arrest of prosecution of several individuals.

SCHWARTZ was identified as a local mid-level distributor in the organization. He received methamphetamine from other local sources, including William Feight, Lori Meigs, Emiliano Cruz-Salazar, Oswaldo Zuniga-Sanchez, and Isaac Cardona. SCHWARTZ used some of the meth he received, and distributed the rest to meth users in and around Bozeman. SCHWARTZ received between three and six ounces of methamphetamine from Feight and Meigs, four 8-balls from Cruz-Salazar, 1.5 ounces from Zuniga-Sanchez, and an unknown quantity from Cardona.

On April 14, 2008, SCHWARTZ sold approximately 8.7 grams of methamphetamine to a confidential informant. On April 18, 2008, he sold another 14.5 grams of meth, again to a confidential informant.

Feight, Meigs, Cruz-Salazar, Zuniga-Sanchez and Cardona pled guilty to federal charges and have been sentenced.

The investigation was a cooperative effort between the Missouri River Drug Task Force and the Drug Enforcement Administration.

**CHESTER SECRIST and SHIMMERI STAR SELPH
(SECRIST & SELPH)**

On June 4, 2010, CHESTER SECRIST, age 26, and SHIMMERI STAR SELPH, age 19, residents of Billings, were sentenced. SECRIST was sentenced to a term of:

- Prison: 50 months
- Special Assessment: \$100
- Supervised Release: 5 years

SELPH was sentenced to a term of:

- Prison: 44 months
- Special Assessment: \$100
- Supervised Release: 5 years

They were sentenced in connection with their guilty pleas to conspiracy to possess with the intent to distribute and distribution of methamphetamine.

In an Offer of Proof filed by Assistant U.S. Attorney James E. Seykora, the government stated it would have proved at trial the following:

Throughout 2008, members of the FBI's Big Sky Safe Streets Task Force began purchasing methamphetamine from SELPH, SECRIST'S girlfriend. SECRIST was present and participated with SELPH on several of the controlled drug purchases, which were made by an undercover officer.

In October 2008, SECRIST was stopped by officers and methamphetamine was located in the vehicle with him.

In January of 2009, a search warrant was executed at SELPH'S mother's residence. SECRIST arrived at the scene during the search and had methamphetamine in his possession. During a statement obtained that day, SECRIST admitted to distributing methamphetamine and confessed to obtaining it from SELPH'S mother. The amount of methamphetamine seized in January of 2009 was over 50 grams of actual methamphetamine.

Witnesses would have testified that SECRIST and SELPH distributed over 500 grams of methamphetamine during the conspiracy.

Law enforcement officers seized \$9,914.10 in cash as drug proceeds.

The investigation was conducted by the Billings Big Sky Safe Streets Task Force.

LINDA LORETTA SELPH

On December 16, 2010, LINDA LORETTA SELPH, a 47-year-old resident of Billings, was sentenced to a term of:

- Prison: 158 months
- Special Assessment: \$100
- Forfeiture: \$9,914.10 cash
- Supervised Release: 5 years

SELPH was sentenced in connection with her guilty plea to conspiracy to possess with the intent to distribute and distribution of methamphetamine.

In an Offer of Proof filed by Assistant U.S. Attorney James E. Seykora, the government stated it would have proved at trial the following:

The Billings Big Sky Safe Streets Task Force was investigating the street distribution of methamphetamine, a Schedule II controlled substance. In 2008, a series of controlled buys occurred and it was determined that the source of methamphetamine was SELPH.

On January 23, 2009, a search warrant was executed at SELPH's residence in Billings. Officers seized 105.4 grams of 100% pure methamphetamine in a safe maintained by SELPH. Other drug paraphernalia, cutting agents, scales and \$9,914.10 in cash were also recovered.

The investigation was conducted by the Billings Big Sky Safe Streets Task Force.

CALVIN WAYNE SKIDMORE

On September 30, 2010, CALVIN WAYNE SKIDMORE, a 46-year-old resident of Coalhurst, Alberta, Canada, was sentenced to a term of:

- Prison: 130 months
- Special Assessment: \$100
- Supervised Release: 5 years

SKIDMORE was sentenced in connection with his guilty plea to attempted exportation of cocaine.

In an Offer of Proof filed by Assistant U.S. Attorney Carl E. Rostad, the government stated it would have proved at trial the following:

On April 30, 2010, at the Del Bonita Port of Entry (POE), U.S. Customs and Border Protection officers (CBP) and U.S. Immigration and Customs Enforcement (ICE) agents encountered Canadian citizen SKIDMORE, driving a 2002 Dodge pickup with an

Alberta license plate, as he attempted to depart the United States for Canada. The pickup was registered in SKIDMORE's name. SKIDMORE, while being questioned by CBP officers, advised that he had worked in the United States without the appropriate visa or permission, a violation of federal immigration law. SKIDMORE and his vehicle were referred into the Del Bonita POE facility for a secondary examination. During the examination of SKIDMORE's vehicle, a CBP Narcotics Detector Dog alerted to the interior of vehicle for the presence of narcotics.

SKIDMORE and his vehicle were transported to the Sweetgrass POE for further examination. During the examination of SKIDMORE's vehicle at the Sweetgrass POE, agents and officers discovered and seized 46 packages, wrapped in black electrical tape, in the firewall area under the dashboard of the vehicle.

Probing of one of the packages revealed a white powdery substance that field tested positive for cocaine. Total weight of the 46 packages was approximately 16.5 kilograms.

The Drug Enforcement Laboratory in San Francisco conducted further testing on the packages seized in this case and confirmed they tested positive for cocaine.

The investigation was a cooperative effort between U.S. Customs and Border Protection, U.S. Homeland Security Investigations, and the Drug Enforcement Administration.

KENDRICK MICHAEL SMITH

On March 25, 2010, KENRICK MICHAEL SMITH, a 28-year-old resident of Helena, was sentenced to a term of:

- Prison: 140 months
- Special Assessment: \$100
- Supervised Release: 6 years

SMITH was sentenced in connection with his guilty plea to possession with the intent to distribute oxycontin.

In an Offer of Proof filed by Assistant U.S. Attorney Paulette L. Stewart, the government stated it would have proved at trial the following:

On August 29, 2009, a man entered Bergum Drug Store in Helena wearing a black mask and carrying a firearm and a backpack. He demanded morphine and "oxys." The man wore a gray sweatshirt with the hood pulled up. Drug store employees complied, giving the robber morphine, opana (oxymorphone), oxycontin, and oxycodone. More than 4,500 pills valued at over \$12,000 were taken.

On August 31, 2009, SMITH'S residence was searched by probation officers with law enforcement assisting. Officers located a ledger with pills and numbers listed that matched the stolen inventory from Bergum Drug Store.

When interviewed, SMITH admitted committing the robbery. SMITH said he burned the BB gun he used during the robbery. SMITH lived one block away from Bergum Drug Store and his driver's license photograph matched the description given by drug store employees. SMITH'S vehicle was also searched and officers located a backpack that contained numerous prescription bottles from the robbery, as well as black and red shoes that SMITH wore during the robbery that were described by the victims. Over 3,200 pills were recovered by the officers.

The investigation was conducted by a cooperative effort between the Helena Police Department, the Federal Bureau of Investigation, and the United States Probation Office.

CONNIE ANN SOLIS

On August 26, 2010, CONNIE ANN SOLIS, a 44-year-old resident of Washington, was sentenced to a term of:

- Prison: 46 months
- Special Assessment: \$100
- Supervised Release: 5 years

SOLIS was sentenced in connection with her guilty plea to conspiracy to distribute methamphetamine.

In an Offer of Proof filed by Assistant U.S. Attorneys Lori Harper Suek and Jessica T. Fehr, the government stated it would have proved at trial the following:

Beginning in the spring of 2009, SOLIS and Arthur Frankie Gomez, residents of Washington, delivered methamphetamine to George Morris in Billings. SOLIS estimated that they made six trips to Billings. During an interview with a confidential source in April 2009, the source told law enforcement that Morris's source of supply of methamphetamine was in Washington and that three to four pounds of methamphetamine was delivered to Morris bi-monthly. SOLIS stated that she did not know the amount of methamphetamine that she and Gomez were delivering, but she knew that they were delivering "drugs" to Morris.

Law enforcement in Billings conducted surveillance during the summer and fall of 2009, and observed SOLIS and Gomez in Billings four times delivering methamphetamine to Morris. During the last trip they made, on December 20, 2009, they were arrested at a house outside of Billings with Morris. Approximately two pounds of methamphetamine was recovered from their car, and approximately \$27,000 in cash was seized from

Morris's car at the same time.

SOLIS admitted that she and Gomez were paid \$2,000 per trip to deliver methamphetamine to Morris.

Gomez and Morris pled guilty to federal charges and are awaiting sentencing.

The investigation was a cooperative effort between the Bureau of Indian Affairs and the Drug Enforcement Administration.

MARK STEEN

On March 30, 2010, MARK STEEN was sentenced to a term of:

- Prison: 60 months
- Special Assessment: \$100
- Supervised Release: 8 years

STEEN was sentenced in connection with his guilty plea to conspiracy to distribute methamphetamine.

In an Offer of Proof filed by Assistant U.S. Attorney Tara J. Elliott, the government stated it would have proved at trial the following:

From June 2008 through October 29, 2008, STEEN and Julio Gonzalez sold methamphetamine out of STEEN's residence in Great Falls. STEEN lived across the street from Charles M. Russell High School. STEEN admitted to selling approximately 75-150 grams of methamphetamine in total. The total amount of methamphetamine sold out of STEEN's residence was approximately 180 to 400 grams.

Gonzalez pled guilty to federal charges and has been sentenced.

LORAIN STEINMEYER

On September 8, 2010, LORAIN STEINMEYER, a 50-year-old resident of Reno, Nevada, was sentenced to a term of:

- Prison: 37 months
- Special Assessment: \$100
- Supervised Release: 4 years

STEINMEYER was sentenced in connection with her guilty plea to conspiracy to distribute methamphetamine.

In an Offer of Proof filed by Assistant U.S. Attorney Tara J. Elliott, the government stated it would have proved at trial the following:

Beginning in approximately August of 2007, and continuing until December 10, 2008, STEINMEYER distributed methamphetamine in and around Missoula to various sources. These sources would have testified that the total amount of methamphetamine STEINMEYER distributed was more than 50 grams.

STEINMEYER was apprehended on December 10, 2008, with approximately 12.7 grams of methamphetamine on her person.

The investigation was conducted by the Drug Enforcement Administration.

CHRISTOPHER STILES

On July 28, 2010, CHRISTOPHER STILES, a 20-year-old resident of Las Vegas, Nevada (formerly of Bozeman), was sentenced to a term of:

- Prison: 36 months
- Special Assessment: \$100
- Supervised Release: 5 years

STILES was sentenced in connection with his guilty plea to conspiracy to distribute cocaine.

In an Offer of Proof filed by Assistant U.S. Attorney Timothy J. Racicot, the government stated it would have proved at trial the following:

The investigation in this case began in 2008, when the FBI and the Missouri River Drug Task Force received information that several young males in the Bozeman area were distributing cocaine, including to local high school students. Specifically, law enforcement received information that cocaine was being distributed from a residence located not far from Bozeman High School. The task force members and the FBI began conducting surveillance on the house and eventually identified several men that appeared to be involved in the suspected distribution of cocaine. Officers also used confidential informants to make controlled purchases of cocaine in order to identify the members of the conspiracy. They eventually concluded that STILES was one of the men selling cocaine and Luis Alberto Rocha was his supplier.

On June 26, 2009, STILES sold two 8-balls of cocaine to an undercover officer. On July 1, 2009, STILES sold approximately one-half ounce of cocaine to a confidential informant; and on January 6, 2010, STILES sold one 8-ball of cocaine to a confidential informant.

On January 22, 2010, STILES was interviewed by law enforcement. He admitted that

he began receiving cocaine from Rocha during the summer of 2008. He initially received one-half ounce each week, then one or two ounces per week, and eventually he received two ounces per week. During his involvement in the conspiracy, STILES received between approximately 1.5 and two kilograms of cocaine from Rocha.

STILES also assisted Rocha in other aspects of the operation. He traveled with Rocha on three separate occasions to pick up cocaine – twice to Albuquerque, New Mexico, and once to Albuquerque and to El Paso, Texas. When Rocha returned to Bozeman with cocaine, he would usually double the quantity using inositol, ammonia, acetone, or ether. STILES assisted Rocha on one occasion when Rocha cut one-quarter pound of cocaine in order to increase the weight to one-half pound. On another occasion, STILES saw Rocha in possession of one entire kilogram of cocaine.

Rocha pled guilty to federal charges and has been sentenced.

The investigation was a cooperative effort between the Missouri River Drug Task Force and the Federal Bureau of Investigation.

**RICHARD ARNOLD STINE and CONNIE HOLLAND STINE
(STINE & STINE)**

On September 23, 2010, RICHARD ARNOLD STINE, age 58, and CONNIE HOLLAND STINE, age 58, residents of Helena, were sentenced.

They each received the following sentence:

- Prison: 135 months
- Special Assessment: \$100
- Fine: \$11,110 joint
- Supervised Release: 5 years

They were sentenced in connection with their guilty pleas to conspiracy to distribute methamphetamine.

In an Offer of Proof filed by Assistant U.S. Attorney Tara J. Elliott, the government stated it would have proved at trial the following:

RICHARD and CONNIE STINE had been suspected of dealing methamphetamine for approximately ten years in the Helena area. In January of 2010, law enforcement officers did a controlled buy in which an undercover individual bought methamphetamine from the STINES.

After the purchase, a search warrant was executed on their residence in Helena during which more than eight ounces of methamphetamine were seized. When questioned, they both admitted to selling methamphetamine in the Helena area for the past ten

years.

The investigation was a cooperative effort between the U.S. Immigration and Customs Enforcement and Missouri River Drug Task Force.

JIM STONE

On March 31, 2010, JIM STONE, a 55-year-old resident of St. Xavier, was sentenced to a term of:

- Prison: 240 months
- Fine: \$20,000
- Supervised Release: 10 years

STONE was sentenced in connection with his guilty plea to distribution of methamphetamine.

In an Offer of Proof filed by Assistant U.S. Attorney James E. Seykora, the government stated it would have proved at trial the following:

The United States would have introduced physical evidence, including methamphetamine wrapped in bindles found on STONE on October 30, 2007, and digital scales with methamphetamine residue, packaging materials, baggies, drug ledgers and other paraphernalia found in the search of STONE'S home on October 31, 2007, and again on February 3, 2008.

Also recovered was methamphetamine that STONE threw out of his car on February 3, 2008, while being pursued by law enforcement officers and methamphetamine distributed by STONE to an undercover informant on January 21, 2008, in Big Horn County.

Several witnesses, who were customers of STONE, would have testified that they purchased methamphetamine from STONE for redistribution. One witness, S.R., would have testified that she received methamphetamine in ¼ gram, ½ gram and eight-ball quantities on almost a daily basis for a two year period, which totalled over several pounds. Another witness, P.S., received free methamphetamine and purchased methamphetamine from STONE at his home in St. Xavier. STONE would provide syringes to inject the methamphetamine. This witness observed STONE in possession of a container similar to a 39-ounce coffee can full of methamphetamine for redistribution.

Yet another witness, L.Y., would detail STONE'S direct and continuous sale of methamphetamine on the Crow Indian Reservation. G.S., B.S. and others observed STONE with multiple ounces of methamphetamine or were involved when STONE'S source of supply caused methamphetamine to be delivered to him for redistribution in

Big Horn County. A.S. would have detailed the methamphetamine delivered by STONE to her, which was in excess of two pounds.

STONE distributed in excess of 2 kilos of methamphetamine.

CHANTELLE STONE-CEDILLO

On September 23, 2010, CHANTELLE STONE-CEDILLO, a 27-year-old resident of Denver, Colorado, was sentenced to a term of:

- Prison: 18 months
- Special Assessment: \$100
- Supervised Release: 4 years

STONE-CEDILLO was sentenced in connection with her guilty plea to conspiracy to possess with the intent to distribute methamphetamine and possession and distribution of methamphetamine.

In an Offer of Proof filed by Assistant U.S. Attorney Timothy J. Racicot, the government stated it would have proved at trial the following:

The U.S. Immigration and Customs Enforcement, the Butte-Silver Bow Law Enforcement Agency ("BSBLEA"), and the Southwest Montana Drug Task Force ("SMDTF") have been investigating a methamphetamine-trafficking organization in the Butte area since 2008. That investigation has led to the prosecution and conviction of seven people for conspiracy to distribute pounds of meth in Silver Bow, Jefferson, Lewis and Clark, and Gallatin Counties.

One of the conspirators in the investigation was interviewed by law enforcement and provided information about a source of supply for methamphetamine from Denver. The conspirator told law enforcement that the source was still in contact and was interested in transporting a quantity of meth to Butte. The investigating officers enlisted the assistance of the conspirator in placing telephone calls to the source, who arranged to meet the conspirator in Butte to distribute six ounces of methamphetamine.

On March 23, 2010, the source and STONE-CEDILLO arrived in Butte driving a rented car. The conspirator arranged to meet them in the parking lot in Butte. Instead, law enforcement officers confronted the source and STONE-CEDILLO, employed a trained K-9 on the car, who alerted to the odor of drugs, and seized the car in order to obtain a search warrant. During the subsequent search, the officers seized approximately six ounces (170.1 grams) of methamphetamine from the engine compartment, precisely where the conspirator said it would be and had been during prior transactions with the source.

STONE-CEDILLO initially declined to be interviewed, but later requested to speak with

officers and admitted to being involved in the conspiracy. She admitted that she knew about the deal that was supposed to transpire on March 23, 2010, and was present to make sure that the source got back to Denver with the proceeds of the drug deal.

STONE-CEDILLO faces possible penalties of a mandatory minimum of 5 years in prison and could be sentenced to 40 years, a \$2,000,000 fine and at least 4 years supervised release.

The investigation was a cooperative effort between the U.S. Immigration and Customs Enforcement and Butte-Silver Bow Law Enforcement Agency.

CHASE RAY STRIKE

On December 16, 2010, CHASE RAY STRIKE, a 30-year-old resident of Billings, was sentenced to a term of:

- Prison: 160 months
- Special Assessment: \$100
- Supervised Release: 3 years

STRIKE was sentenced in connection with his guilty plea to conspiracy to possess with the intent to distribute ecstasy and distribution of ecstasy.

In an Offer of Proof filed by Assistant U.S. Attorney James E. Seykora, the government stated it would have proved at trial the following:

On October 1, 2008, Montana Probation and Parole Officers conducted a search of a home in Billings after receiving reports that the house had possible drug activity. One of the occupants, STRIKE, was on felony probation through the Montana Department of Corrections and had reported that he was using his roommate's Cadillac for transportation. The roommate, Nicholas Kojetin, was also present during the search. When probation officers searched the Cadillac, they discovered 1,501 ecstasy pills and psilocybin mushrooms. Officers also found paperwork tying STRIKE to its use.

Task Force officers responded and interviewed Kojetin, who admitted that STRIKE had been predominantly using his vehicle. Kojetin admitted that STRIKE had made a trip in his car to purchase 1,000 ecstasy pills and also received 1,000 ecstasy pills on a front, for a total of 2,000 pills. STRIKE had returned to Billings the previous day, September 30, 2008.

An analysis by the DEA Lab found that the 1,501 tablets weighed 393.4 grams and contained 3,4 methylenedioxymethamphetamine hydrochloride with the amount of pure drug being 135.0 grams.

Kojetin pled guilty to federal charges and has been sentenced.

The investigation was a cooperative effort between the Billings Big Sky Safe Streets Task Force, the High Intensity Drug Trafficking Area (HIDTA) Task Force, Montana Probation and Parole and the Billings Police Department.

SERGEY SVETLICHNY

On July 29, 2010, SERGEY SVETLICHNY, a 21-year-old resident of Missoula, was sentenced to a term of:

- Prison: 37 months
- Special Assessment: \$100
- Supervised Release: 4 years

SVETLICHNY was sentenced in connection with his guilty plea to conspiracy to distribute cocaine.

In an Offer of Proof filed by Assistant U.S. Attorney Tara J. Elliott, the government stated it would have proved at trial the following:

On February 5, 2010, law enforcement officers stopped a silver Audi sedan that was traveling eastbound on I-90 between Huson and Frenchtown. The registered owner and driver was J.R., who gave signed consent to search his vehicle. The search of the vehicle resulted in the discovery of approximately 145 grams of cocaine. The cocaine was hidden in a compartment located in the center of the rear passenger seats. SVETLICHNY was the front seat passenger of the vehicle.

Upon further investigation, it was determined that SVETLICHNY was involved in the distribution of cocaine from approximately September 2009 through February of 2010. Various witnesses would have testified that SVETLICHNY was responsible during this time frame for the distribution of more than 500 grams of cocaine in and around Missoula and Mineral counties.

The investigation was conducted by the Drug Enforcement Administration.

ROY FRANKLIN TODD

On December 21, 2010, ROY FRANKLIN TODD, a 47-year-old resident of Lame Deer, was sentenced to a term of:

- Prison: 46 months
- Special Assessment: \$100
- Supervised Release: 5 years

TODD was sentenced in connection with his guilty plea to conspiracy to distribute methamphetamine.

In an Offer of Proof filed by Assistant U.S. Attorney Lori Harper Suek, the government stated it would have proved at trial the following:

Since 2005, George Morris has headed a drug organization that distributes methamphetamine in the Billings, Montana, area, as well as the Crow and Northern Cheyenne Indian Reservations. The organization distributed methamphetamine. The primary target of the investigation was the defendant, George Victor Morris. Law enforcement's investigation revealed that Morris' drug trafficking operation was based out of his home in Billings, Montana, as well as at his junkyard, which is located on the Northern Cheyenne Indian Reservation.

TODD has been distributing meth for Morris since 2006. Morris told law enforcement he distributed one ounce to one quarter pound quantities of methamphetamine to TODD approximately two to five times a month during the course of the conspiracy. On one occasion, TODD called Morris from a co-conspirator's residence. Morris met with TODD at the residence and sold TODD one half ounce of methamphetamine. TODD was later stopped by law enforcement. Law enforcement found the half ounce of methamphetamine in TODD'S possession.

On April 22, 2009, TODD was interviewed by law enforcement. TODD told law enforcement that he had been involved with methamphetamine for approximately five to six years. TODD initially obtained one-quarter, and one-half ounce quantities of methamphetamine from his supplier, Dennis Shoulderblade (deceased), who was supplied by Morris.

In the summer of 2007, TODD began obtaining methamphetamine directly from Morris. Todd initially obtained two to three grams of methamphetamine from Morris every couple of days. TODD estimated he purchased four gram quantities of methamphetamine from Morris for \$550 each, on thirty to forty occasions. TODD purchased one-half ounce quantities of methamphetamine from Morris approximately seven to eight times, and purchased one-quarter ounce quantities of methamphetamine approximately seven to eight times.

At the conclusion of the interview, TODD provided law enforcement with thirteen bindles containing methamphetamine, which was the amount of methamphetamine remaining from one-quarter ounce that he had purchased from George Morris three days before the interview. TODD used a small portion of the methamphetamine for personal use, kept a portion for later use, and sold the remainder to four individuals on the Northern Cheyenne Indian Reservation. TODD normally sold methamphetamine in one-half, and one gram quantities.

Morris has entered a plea of guilty to federal charges and is awaiting sentencing.

The investigation was a cooperative effort between the Drug Enforcement Administration, Bureau of Indian Affairs, High Intensity Drug Trafficking Area (HIDTA)

Task Force, City-County Special Investigation Unit and the Federal Bureau of Investigation's Big Sky Safe Streets Task Force, which includes the Billings Police Department and the Yellowstone County Sheriff's Office.

TOMMY LEE VASQUEZ

On July 8, 2010, TOMMY LEE VASQUEZ, a 35-year-old resident of Billings, was sentenced to a term of:

- Prison: 240 months
- Special Assessment: \$100
- Forfeiture: \$3,060 cash
- Supervised Release: 6 years

VASQUEZ was sentenced in connection with his guilty plea to possession with the intent to distribute methamphetamine.

In an Offer of Proof filed by Assistant U.S. Attorney James E. Seykora, the government stated it would have proved at trial the following:

During the early morning hours of April 22, 2008, law enforcement officers spotted VASQUEZ driving a vehicle with no front license plate. While being questioned as he stood outside his vehicle, officers noticed that VASQUEZ was nervous, his hands were shaking, and he had difficulty putting his driver's license back into his wallet. VASQUEZ' face was sweating even though the temperature was 28 degrees.

For officer safety, VASQUEZ was searched and a glass pipe was recovered. VASQUEZ was then handcuffed and arrested for possession of drug paraphernalia. Shortly thereafter, an officer and his K9 arrived at the scene. The dog alerted to the passenger door and then indicated on the driver's side door for drugs.

The officers obtained a search warrant for VASQUEZ' vehicle and found a cell phone, \$3,950 in cash, a list of phone numbers with numbers of known meth users, a digital scale with meth residue on it, two loaded firearms (one of which was stolen), dozens of small baggies used by meth distributors to package street level crystal meth, and four separate amounts of meth:

- 1B164 - .26 grams of meth, a Schedule II controlled substance, that also contained DMS (dimethyl sulfone) a cutting agent;
- 1B165 - .33 grams of meth with DMS;
- 1B166 - 2.7 grams of 26.7% meth or 0.72 grams of actual meth with DMS; and
- 1B171 - 7.3 grams of 3.9% meth or 0.28 grams of actual meth with DMS.

Officers also recovered over two ounces of cut (1B 167).

The United States would have presented evidence that the meth seized was either packaged for redistribution or the meth possessed was consistent with possession with the intent to distribute; and that VASQUEZ had in his possession the tools of the trade of a meth distributor.

The investigation was a cooperative effort between the Billings Big Sky Safe Streets Task Force and the High Intensity Drug Trafficking Area (HIDTA) Task Force.

JARED ALBERT WEEKS-COMBS

On August 26, 2010, JARED ALBERT WEEKS-COMBS, a 20-year-old resident of Wolf Point, was sentenced to a term of:

- Prison: 21 months
- Special Assessment: \$100
- Restitution: \$400
- Supervised Release: 3 years

WEEKS-COMBS was sentenced in connection with his guilty plea to possession with the intent to distribute methamphetamine.

In an Offer of Proof filed by Assistant U.S. Attorney Rebekah J. French, the government stated it would have proved at trial the following:

On April 20, 2009, the Roosevelt County Undersheriff discovered that drug evidence was missing from the Roosevelt County Sheriff's Office's (RCSO) evidence room. The Undersheriff asked the recently retired RCSO Evidence Custodian to inventory all drug evidence stored in the evidence room. The Evidence Custodian concluded that there were 22 items of drug evidence missing. He was able to quantify the following missing drug amounts: approximately 12 grams of methamphetamine and 12 ounces of marijuana. He also noted that \$400 cash was missing. The Evidence Custodian also found nine evidence envelopes torn open – which had contained an unknown amount of marijuana.

The same day he discovered the missing drug evidence, the Undersheriff received information from a Roosevelt County Commissioner that a private citizen had reported to the County Commissioners that Roosevelt County Jailer WEEKS-COMBS had been taking drugs from the RCSO and selling the drugs to pay his rent.

The Undersheriff asked two members of his staff to review security camera footage of the jail and evidence room. This review was limited because the tape did not show the door into the evidence room and they could only review tapes for six days prior to the date they started the review. The review showed WEEKS-COMBS carrying a brown paper bag with what looked like red evidence tape from the area of the evidence room to the jail's kitchen area. During this investigation, a Roosevelt County Reserve Deputy

also learned that WEEKS-COMBS had turned off the security cameras for a period of time during one of his shifts.

The Undersheriff interviewed an inmate being held in the Roosevelt County Detention Center. The inmate admitted that WEEKS-COMBS had provided him with a syringe filled with methamphetamine and a marijuana cigarette while the inmate was being held in the Detention Center. According to the inmate, WEEKS-COMBS stole an evidence bag containing drug evidence (3.5 grams of methamphetamine) from the evidence storage area and replaced it with a new evidence bag containing sugar. Examination of the evidence bag revealed that someone had copied the information from the original sealed bag onto a second sealed bag. The Undersheriff confirmed that the substance in the second bag was not methamphetamine.

The Undersheriff also interviewed WEEKS-COMBS who admitted removing five FedEx envelopes of drugs from the evidence room in March of 2009. He also admitted taking a sack of marijuana from the evidence room and replacing it with a box of rubber gloves. He admitted replacing the methamphetamine in one evidence bag with salt, but claimed he had flushed the methamphetamine down the toilet. WEEKS-COMBS denied giving an inmate a syringe containing methamphetamine, claiming that he filled the syringe with water.

An FBI agent also interviewed WEEKS-COMBS. During that interview, WEEKS-COMBS admitted that he provided an inmate with a syringe filled with methamphetamine, in addition to the water-filled syringe that he had tricked the inmate into thinking was methamphetamine on an earlier date. WEEKS-COMBS admitted that he gained access to the evidence room eight to fifteen times between February 2009 and April 23, 2009, and that he stole 21 to 22 evidence envelopes marked as containing methamphetamine or marijuana. He estimated that he had taken approximately 7.7 grams of methamphetamine and 2.5 pounds of marijuana. He also admitted having taken a wallet containing \$400 in cash. WEEKS-COMBS claimed that he used most of the stolen drugs himself, but admitted providing some to friends.

The investigation was a cooperative effort between the Roosevelt County Sheriff's Office and the Federal Bureau of Investigation.

EDWARD ALVIN WHITE, II

On November 5, 2011, EDWARD ALVIN WHITE, II, a 29-year-old resident of Billings, was sentenced to a term of:

- Prison: 33 months
- Special Assessment: \$100
- Supervised Release: 3 years

WHITE was sentenced in connection with his guilty plea to possession with the intent to

distribute cocaine and distribution of cocaine.

In an Offer of Proof filed by Assistant U.S. Attorney James E. Seykora, the government stated it would have proved at trial the following:

WHITE obtained cocaine from at least two sources of supply from August 2008 to June of 2009 for redistribution. WHITE both received and distributed cocaine with several other individuals.

On December 31, 2008, WHITE sold 3.3 grams of cocaine to an undercover officer. WHITE's girlfriend would have testified that WHITE obtained up to one-ounce quantities of cocaine at a time for at least a six month period from at least two sources of supply. On occasion, she accompanied WHITE to redistribute the cocaine to others and on those occasions, WHITE carried a firearm. WHITE distributed the cocaine out of his girlfriend's residence. She received over two ounces of cocaine herself during this time frame.

Testimony would have shown that WHITE distributed between 200 to 300 grams of cocaine.

The investigation was a cooperative effort between the Billings Big Sky Safe Streets Task Force, the High Intensity Drug Trafficking Area (HIDTA) Task Force, the Federal Bureau of Investigation, the Drug Enforcement Administration, and U.S. Immigration and Customs Enforcement.

SHAUNA WILLIS

On September 29, 2010, SHAUNA WILLIS, a 55-year-old resident of Billings, was sentenced to a term of:

- Prison: time served (125 days)
- Special Assessment: \$100
- Supervised Release: 1 year

WILLIS was sentenced in connection with her guilty plea to prescription fraud.

In an Offer of Proof filed by Assistant U.S. Attorney Jessica T. Fehr, the government stated it would have proved at trial the following:

In the fall of 2008, the Billings Police Department City/County Special Investigations Unit and Rocky Mountain High Intensity Drug Trafficking Area Task Force (CCSIU/HIDTA) began investigating allegations that fraudulent prescriptions for narcotics were being passed and filled in the Billings area. As the investigation progressed, law enforcement learned of numerous fraudulent prescriptions being filled by individuals identified by witnesses as WILLIS, her daughter N.W., and Charles

Haman, her son-in-law. The fraudulent prescriptions contained forgeries of signatures of at least seven Billings area physicians. The majority of the prescriptions were written for Oxycodone and Oxycontin. Oxycodone is the generic name for the narcotic. Oxycontin is the trademarked time release version of Oxycodone. Oxycodone and Oxycontin are Schedule II narcotics prescribed by physicians for high pain relief.

On July 9, 2009, law enforcement executed a search warrant on Haman and N.W.'s residence. During the search, law enforcement seized tablets of Oxycontin, drug paraphernalia, pharmacy and physician information, prescription bottles and labels, blank prescriptions, Photoshop material, CD's containing images of prescriptions, forged prescriptions, forged writings and security paper.

Haman and N.W. were interviewed by law enforcement. Both confessed to a forgery scheme which involved the manufacturing of fraudulent controlled substance prescriptions utilizing a computer, the computer program Photoshop and security paper. WILLIS and co-conspirators obtained legitimate prescriptions for Oxycodone and Oxycontin from several doctors in the Billings area. Haman and N.W. would then scan the image of the valid prescriptions, alter the scanned images by erasing the original information and filling in new information, print the new image onto security paper, fill out the new prescription and subsequently forge the doctors' signatures to create the fraudulent prescriptions. WILLIS and N.W. would then visit area pharmacies and attempt to have the fraudulent prescriptions filled. WILLIS was aware that the prescriptions she was filling at area pharmacies were fraudulent.

To date, over 60 prescriptions have been determined as fraudulent. The fraudulent prescriptions resulted in the illegal dispensing of more than 400,000 milligrams of Schedule II narcotics. The fraudulent prescriptions were filled at multiple pharmacies in Yellowstone and Stillwater Counties. The majority of the fraudulent prescriptions cost approximately \$1,300 to \$1,500 and were paid for in cash.

Haman pled guilty to federal charges and has been sentenced.

The investigation was a cooperative effort between the Billings Police Department City/County Special Investigations Unit and Rocky Mountain High Intensity Drug Trafficking Area Task Force and the DEA Diversion Investigators.

JERRY WILSON

On September 8, 2010, JERRY WILSON, a 47-year-old resident of Red Lodge, was sentenced to a term of:

- Prison: 30 months
- Special Assessment: \$100
- Supervised Release: 8 years

WILSON was sentenced in connection with his guilty plea to distribution of cocaine.

In an Offer of Proof filed by Assistant U.S. Attorney James E. Seykora, the government stated it would have proved at trial the following:

A lengthy investigation in the Red Lodge and Carbon County area by the Drug Enforcement Administration and the Montana Division of Criminal Investigation revealed WILSON was involved in receiving and redistributing cocaine to various individuals from 2005 to 2009. WILSON distributed cocaine directly or had it delivered on his behalf by others to numerous individuals. The amounts of cocaine that WILSON delivered by and through the individuals regularly included gram and eight-ball quantities. During this time period, WILSON distributed over 500 grams of cocaine.

The investigation was a cooperative effort between the Drug Enforcement Administration and the Montana Division of Criminal Investigation.

OSWALDO ZUNIGA-SANCHEZ

On February 5, 2010, OSWALDO ZUNIGA-SANCHEZ, a 26-year-old resident of Bozeman, was sentenced to a term of:

- Prison: 135 months
- Special Assessment: \$100
- Supervised Release: 5 years

ZUNIGA-SANCHEZ was sentenced in connection with his guilty plea to conspiracy to distribute methamphetamine.

In an Offer of Proof filed by Assistant U.S. Attorney Timothy J. Racicot, the government stated it would have proved at trial the following:

The Missouri River Drug Task Force (MRDTF) and the Drug Enforcement Administration (DEA) have been investigating a methamphetamine-trafficking organization in the Bozeman area since 2007. That organization is responsible for distributing pounds of meth in Gallatin County and the investigation has resulted in the arrest of prosecution of several individuals.

In July 2009, the MRDTF and the DEA monitored three controlled purchases of methamphetamine from ZUNIGA-SANCHEZ. On July 14, 2009, a confidential informant bought 45.7 grams of actual meth from ZUNIGA-SANCHEZ. On July 16, 2009, the same informant bought 45.2 grams of actual meth. On July 21, 2009, the informant bought 40.7 grams of actual meth.

On July 22, 2009, law enforcement executed a search warrant on ZUNIGA-SANCHEZ'S residence. They seized 87.9 grams of actual methamphetamine from

ZUNIGA-SANCHEZ'S bedroom and approximately \$7,000 in cash and a handgun from a DVD player in the living room.

ZUNIGA-SANCHEZ was arrested prior to the search. He was initially evasive and denied any involvement in the distribution of methamphetamine, but eventually admitted that there were 4.5 ounces of meth under his mattress and that the drugs belonged to him. He also admitted that there was \$7,000 in drug proceeds hidden in a broken DVD player in his living room. He identified his source of supply in Washington and estimated that he had received 35 ounces of meth from that source in the preceding two months. ZUNIGA-SANCHEZ also identified several of his drug customers in the Bozeman area, including the confidential informant who executed the July 14, 16, and 21 controlled purchases.

The investigation was a cooperative effort between the Drug Enforcement Administration and the Missouri River Drug Task Force.

ENVIRONMENTAL AND WILDLIFE

DONALD AIME and LAWRENCE MACKAY (AIME & MACKAY)

On May 7, 2010, DONALD AIME, a 68-year-old resident of Peoria, Arizona, and LAWRENCE MACKAY, a 64-year-old resident of Glendale, Arizona, were sentenced for Lacey Act violations.

They were each sentenced to a term of:

- Probation: 1 year
- Special Assessment: \$25
- Fine: \$4,000

MACKAY was also ordered to forfeit an American Buffalo trophy mount.

In an Offer of Proof filed by Assistant U.S. Attorney Leif M. Johnson, the government stated it would have proved at trial the following:

AIME and MACKAY are associated with a ministry that developed an affiliation with a Native American minister on the Crow Reservation.

In 2002 and years thereafter, the Native American minister invited AIME and MACKAY to hunt on the Crow Reservation for big game. They were given assurances from him and other Tribal members that the licenses and permission would be taken care of. Each year they hunted a variety of big game including deer, elk, buffalo, and antelope.

In 2002, a group of hunters including AIME, MACKAY, the Native American minister, and several other members of the Tribe went on a hunt without taking any game.

In 2003, AIME killed a mule deer. That year the hunting party took several other deer. The meat was donated to charitable organizations with the Tribe.

In 2004, the Crow Tribal Chairman issued a letter to AIME and MACKAY allowing them to kill and take two buffalo. Tribal employees accompanied them on a buffalo hunt during which AIME and MACKAY each killed a buffalo.

In 2005, MACKAY did not hunt in Montana. AIME did return that year and he killed a buffalo.

In 2006, AIME and MACKAY returned and hunted once again. That year their party, including the Native American minister and several Tribal members, killed several mule deer.

At no time did either AIME or MACKAY have a valid license from either the State of Montana or the Crow Tribe for the taking of big game animals.

The United States would have admitted records from the Crow Tribe indicating that, at the times pertinent to the charges against both AIME and MACKAY, the Crow Tribe had laws requiring hunters to procure and possess hunting licenses.

The investigation was conducted by the U.S. Fish and Wildlife Service.

EVAN ROSS ASLESON

On October 21, 2010, EVAN ROSS ASLESON, a 35-year-old resident of Belt, was sentenced to a term of:

- Special Assessment: \$50
- Restitution: \$8,000
- Fine: \$2,000

ASLESON was sentenced in connection with his guilty plea to theft of government property, damage to government property, and cutting and removing timber from public lands.

In an Offer of Proof filed by Assistant U.S. Attorney Timothy J. Racicot, the government stated it would have proved at trial the following:

During the fall of 2007, Forest Service law enforcement received a report of trees cut on Forest Service lands near Monarch. In February 2008, while investigating the cut trees, a law enforcement officer contacted ASLESON's mother in order to gain permission to

access the area. The officer asked her about the log home being built on the ASLESON property and she explained that her son, EVAN ASLESON, was constructing the cabin with logs he was cutting on a neighbor's property. ASLESON evidently had an agreement with the neighbor to cut some standing, dead, beetle-killed trees on his property for \$2 a linear foot. The northern boundary of the neighbor's property borders the National Forest. As of July 22, 2008, ASLESON had paid the neighbor \$800 for roughly 40 trees.

The law enforcement officer returned to the area in June 2008 to continue his investigation. It was determined at that time that the majority of the trees cut by ASLESON were on the National Forest.

On August 13, 2008, ASLESON advised a special agent that he located the survey section points prior to cutting any trees. He also stated that he knew that a fence in the area where he was cutting did not follow the actual forest boundary.

On August 22, 2008, when ASLESON again spoke to the agent about the trees, he said that he did not know where the boundary was between the National Forest and his neighbor until the agent told him the location. He admitted to cutting the trees in that area, which number around 160, but claimed that he did not know they were on the National Forest when he cut them. ASLESON stated that he simply followed the fence line.

Of the approximately 160 trees that ASLESON cut on the National Forest, nearly all of them were of a large diameter, the type that could be used for constructing a log home. According to Forest Service investigators, the boundary between the National Forest and ASLESON's neighbor is easy to see and it is clear that the 160 trees were on National Forest System lands. Most of the stumps were within 50 to 100 feet of that boundary (and between the fence and the actual boundary). Furthermore, the beetle-killed trees on the neighbor's property were located on the south side of that property; very few beetle-killed trees were on the north side, which is the portion of the property bordering the National Forest.

In addition to the 160 trees referenced above, other trees were cut along a Forest Service road. ASLESON admitted to cutting those trees as well, but claimed he had done so in accordance with his firewood permit. Investigators also observed skidder tracks that started on the Forest Service road, where the trees were being cut, and ran the entire length of the road, ending on ASLESON's private property where approximately 70 logs were found and photographed. The skidding activities on road resulted in a damaged culvert which required repair.

The investigation was conducted by the Law Enforcement and Investigations Division of the U.S. Forest Service.

LESTER ERNEST BROTHERS

On August 3, 2010, LESTER ERNEST BROTHERS was sentenced to a term of:

- Probation: 2 years
- Special Assessment: \$25
- Community Service: 50 hours

BROTHERS was sentenced in connection with his guilty plea to a violation of the Endangered Species Act.

In an Offer of Proof filed by Special Assistant U.S. Attorney Robert S. Anderson, the government stated it would have proved at trial the following:

In February 2009, the Montana Department of Fish, Wildlife & Parks received information from BROTHERS' adult son that BROTHERS possessed a wolf hide. A warden visited BROTHERS' residence near Libby and received a consent to search the property from BROTHERS' wife. BROTHERS' son led the warden to a blue tarp on the property covering a salted canid hide which appeared to be that of a gray wolf, which the warden then seized. BROTHERS' son also gave the warden a recent receipt for the purchase of a tanning kit purchased by BROTHERS.

When questioned, BROTHERS and a friend told investigators that they shot a wolf in the Kootenai National Forest in Montana in mid-November 2008 while hunting together. At that time, wolves were still classified as an endangered species. Neither man possessed a license or other authorization allowing them to shoot a wolf. BROTHERS and the other individual gave conflicting accounts as to which of them had shot the animal, but BROTHERS admitted returning to the site a few days after the hunt where he skinned the carcass and took the hide home with the intention of tanning and keeping it.

The seized hide was sent to the Wildlife Forensics Laboratory in July 2009. On August 3, 2009, DNA testing revealed the hide to have come from a North American gray wolf.

The investigation was a cooperative effort between the Montana Department of Fish, Wildlife & Parks and the U.S. Fish and Wildlife Service.

LEVI MICHAEL CARLBERG

On January 26, 2010, LEVI MICHAEL CARLBERG, a 35-year-old resident of Libby, was sentenced to a term of:

- Probation: 18 months
- Special Assessment: \$45
- Fine: \$1,000

CARLBERG was sentenced in connection with his guilty plea to damage to government property, operating a vehicle on a closed road and operating a vehicle off road.

In an Offer of Proof filed by Assistant U.S. Attorney Timothy J. Racicot, the government stated it would have proved at trial the following:

On September 4, 2008, Forest Service Law Enforcement Officers (LEOs) investigated an anonymous tip that CARLBERG had constructed a hunting camp in the Kootenai National Forest. The LEOs found recent all-terrain-vehicle (ATV) tracks on Forest Road 4874 in an area closed to motor vehicle use. The LEOs placed a Bushnell brand trail camera to observe the area.

On September 17, 2008, an LEO discovered the camera was missing. On September 24, 2008, LEOs located a salt block in the closed area of Road 4874. They also located an ATV trail, which left the roadway and traveled approximately one-eighth of a mile to a campsite. Later investigation revealed approximately thirty-two trees of various species and size had been cut to make the trail. All of the trees were estimated to be less than eight inches in diameter. At the campsite, the LEOs found a fire ring and unattended equipment, including a steel storage box.

On September 30, 2008, a witness was interviewed who described traveling to CARLBERG'S camp on September 5, 2008, where he met CARLBERG and another individual. The witness saw CARLBERG use the steel storage box, and the three left the camp together on September 7, 2008.

On October 8, 2008, CARLBERG was interviewed and admitted the following:

- that he set up the campsite on or about the end of July or beginning of August, 2008;
- drove an ATV around an earth and rock barrier and continued driving on Road 4874 knowing that it was closed;
- placed a salt lick at the location where one was recovered by the LEOs;
- cut approximately 37 trees between Road 4874 and the campsite; and,
- left various equipment, including a steel storage box, at the campsite.

CARLBERG also admitted that he found a trail camera near Road 4874, took it down, opened it, and discovered "USFS Property" written inside the case. He admitted that he hid the camera in the area and took the memory card. CARLBERG accessed the memory card and viewed the photos taken by using a computer at his father's house.

On October 8, 2008, CARLBERG returned the photo memory card. He led LEOs to the area he had hidden the camera. The camera was recovered after a brief search.

The investigation was conducted by the Law Enforcement and Investigations Division of the U.S. Forest Service.

CONFLUENCE CONSULTING, INC.

On December 1, 2010, CONFLUENCE CONSULTING, INC., a business based in Bozeman, was sentenced as follows:

- Fine: \$10,000
- Special Assessment: \$125

CONFLUENCE CONSULTING, INC. was sentenced in connection with its guilty plea to a violation of the Clean Water Act by negligent discharge of pollutants.

According to an offer of proof filed by the U.S. Attorney's Office, the government would have proved the following at trial:

On January 31, 2007, the Army Corps of Engineers granted a Nationwide Permit to Mr. Joe Billion authorizing stream bank stabilization work on Billion's property abutting the East Gallatin River near Bozeman, Montana. The Permit stated that "[a]ny activity that fails to comply with all the terms and conditions of this authorization will be considered unauthorized and subject to appropriate enforcement action." Confluence Consulting, Inc. submitted the Permit application to the Corps on Billion's behalf, and Confluence Consulting was sent a copy of the Permit issued by the Corps. Confluence Consulting had been hired by Billion to manage the stream bank stabilization work. James Lovell was Confluence's project manager. James Lovell is the owner and registered agent for Confluence.

On March 30, 2007 Doug Chapman of Montana Aircraft, Inc. took aerial photographs of the Billion property. These photos show concrete blocks diverting the East Gallatin River. Chapman's photos also show a trackhoe in a cofferdam constructed within the river. The construction of the cofferdam and the placement of the concrete blocks in the East Gallatin River were not authorized by the Permit.

On April 19, 2007, the Gallatin Conservation District held a meeting wherein the District discussed a complaint about Confluence's stream bank stabilization work at the Billion property. The minutes for the meeting contained a statement by James Lovell admitting Confluence "did not have a 310 permit for the concrete barriers."

Mr. Joe Billion told EPA Special Agent Brandon Solari that the plan was to remove the dams every day and that the dams were in the river three days. Confluence told the Gallatin Conservation District that the dams were left in the river overnight twice. On May 10, 2007, Special Agent Solari called James Lovell to discuss the cofferdam and the use of concrete blocks. Lovell told Solari that the dams were placed in the river for three days and then removed. He further stated that the dams were needed for Confluence to perform their job, and it was at his direction that the dams were built.

The investigation was conducted by the Environmental Crimes Section of the

Environmental Protection Agency.

BRIAN KLOBUCHAR

On February 25, 2010, BRIAN KLOBUCHAR, a 46-year-old resident of Ravalli County, was sentenced to a term of:

- Prison: 24 months, consecutive to a state probation revocation
- Special Assessment: \$100
- Supervised Release: 3 years

KLOBUCHAR was sentenced in connection with his guilty plea to disposal of hazardous waste without a permit.

In an Offer of Proof filed by Assistant U.S. Attorney Tara J. Elliott, the government stated it would have proved at trial the following:

On September 10, 2008, KLOBUCHAR was observed dumping numerous chemicals into a latrine at a campsite at the Bass Creek Campground in Ravalli County. These chemicals were tested and the conclusion was that they included acetone. KLOBUCHAR did not have a permit to dispose of the hazardous waste.

The investigation was conducted by the Law Enforcement and Investigations Division of the U.S. Forest Service.

DONALD BRADLEY LYNN

On July 1, 2010, DONALD BRADLEY LYNN, a 57-year-old resident of Malta, was sentenced to a term of:

- Fine: \$1,500
- Special Assessment: \$25
- Restitution: \$2,000
- Special Conditions: Prohibited from outfitting or guiding on federal lands for a period of two (2) years

LYNN was sentenced after being found guilty of Lacey Act violations following a bench trial on May 12-13, 2010, before Magistrate Judge Strong.

In Findings of Fact filed by the Court, the government proved at trial the following:

LYNN, a Montana resident, was a hunting outfitter licensed by the State of Montana. LYNN was hired by Mississippi resident C.W. to provide outfitting services for a deer hunt in Montana. C.W. was in Mississippi when he arranged the hunt with LYNN. C.W.'s hunting party included his father and two brothers. All four individuals were from

Mississippi.

On November 18, 2006, J.W., C.W.'s brother, shot a deer on the "island." The "island" is also known as the "Dead River" area. The "Dead River" area is an area of Montana within the exterior boundaries of the Fort Belknap Indian Reservation. J.W. was taken to the "Dead River" area by LYNN. Neither J.W. or LYNN are enrolled members of the Fort Belknap Indian Community. Neither individual was licensed to hunt deer within the exterior boundaries of the Fort Belknap Indian Reservation.

Publically available BLM maps from 2001 and 2007 show the "Dead River" area as Tribal land. The 2006 Montana Hunting Regulations also state, "Only tribal members are allowed to hunt big game on Indian Reservations, unless otherwise provided for by agreements between the State of Montana and Tribal Government." Many resources are publically available to determine the reservation boundary.

LYNN reported J.W.'s deer was shot in Hunting District 611. LYNN told J.W. to tell game wardens that the deer was shot on a ranch outside reservation boundaries and some distances from where J.W. actually shot the deer.

The investigation was a cooperative effort between the Montana Department of Fish, Wildlife and Parks, the Fort Belknap Fish & Game and the U.S. Fish & Wildlife Service.

FRANCIS LEROY McLAIN

On January 14, 2010, FRANCIS LEROY McLAIN was sentenced to a term of:

- Prison: 5 months, concurrent with a Minnesota sentence
- Special Assessment: \$25
- Restitution: \$25,000
- Fine: \$2,000
- Supervised Release: 1 year

McLAIN was sentenced in connection with his guilty plea to damage to government property.

In an Offer of Proof filed by Assistant U.S. Attorney Timothy J. Racicot, the government stated it would have proved at trial the following:

On July 5, 2006, a Forest Service Patrol Captain received information that McLAIN had constructed an illegal ATV trail through the Gallatin National Forest.

On July 6, 2006, the Patrol Captain located the trail, which was over one mile long. He observed ATV tracks coming from McLAIN'S property and continuing along the illegal trail. The fence between McLAIN's property and Forest Service land had been cut, the wires were pulled back, and posts had been pulled out of the ground. At the end of the

trail he discovered evidence of recent chainsaw work and also found two chainsaws and other trail construction tools. He noted the serial numbers on the chainsaws and later matched those serial numbers to McLAIN'S chainsaw purchase receipts. The Patrol Captain drove by McLAIN'S residence and observed three ATVs parked on his property. He also saw fresh ATV tracks leaving McLAIN'S residence and heading in the direction of the illegal trail.

On July 8, 2006, one of McLAIN'S neighbors told the Patrol Captain that he had been hiking in the Gallatin National Forest the previous November when he noticed the ATV trail and heard a chainsaw running nearby. The neighbor saw the lights from the ATV indicating it was running at the time. He hid away from the trail and noticed a man with a white beard cutting and clearing trees with an orange and black chainsaw. The neighbor watched the man cutting for about 30 minutes before he walked up to the ATV trail and the man introduced himself as McLAIN. McLAIN told the neighbor that he wanted to build a trail through the forest and across neighboring lands so he could venture into the forest to see more sights, animals, and wildlife. The neighbor saw McLAIN hide his chainsaw. While walking away, the neighbor heard McLAIN start his ATV and watched him ride away through the forest on the trail.

Experts who examined the trail – including a timber cruiser, a lands specialist and a soil scientist – determined that it was approximately six feet in width and between one and 1.5 miles long. There was substantial damage to adjacent trees. The downed trees had been piled into small decks. The experts estimated that the cost of disposing of the bucked material would be \$7,627 and the cost of restoring the land's productivity and preventing erosion would be \$25,948.

The investigation was conducted by the Law Enforcement and Investigations Division of the Forest Service.

ROBERT EARL PATTON

On May 5, 2010, ROBERT EARL PATTON, a 49-year-old resident of Kalispell, was sentenced to a term of:

- Probation: 2 years, unsupervised
- Special Assessment: \$25
- Fine: \$3,000

PATTON was sentenced in connection with his guilty plea to a violation of the Endangered Species Act.

In an Offer of Proof filed by Assistant U.S. Attorney Timothy J. Racicot, the government stated it would have proved at trial the following:

On November 1, 2008, PATTON left a voice mail message for U.S. Fish and Wildlife

Service agent concerning a wolf that PATTON had encountered and killed the previous day, October 31, 2008. PATTON also reported the incident to Tip-Mont.

On November 4, 2008, agents met PATTON near the McGinnis Meadow/Fisher River area between Kalispell and Libby. PATTON and the agents located the wolf, which PATTON had dragged under a fir tree after shooting and killing the animal.

When interviewed, PATTON told the agent that he was hunting deer and elk on October 31, 2008, heard choppy barking as he was headed back to his camp at approximately 5:30 p.m., and saw a black dog-like figure moving toward him. When the wolf was approximately 20 yards in front of him, PATTON raised his rifle, aimed at the animal's chest, and fired a shot. He heard the bullet hit the wolf and then heard silence. He found the wolf, moved it under the fir tree where the agents found it on November 4, 2008, and returned to his hunting camp. The following evening, once he had cellular phone service, he called Tip-Mont and the agent and reported the incident.

The wolf was sent to the National Wildlife Forensics Lab in Ashland, Oregon, for further analysis. A veterinary medical examiner analyzed the wolf and concluded that the wolf was shot on its back left side and the exit wound was on the front right side.

The investigation was conducted by the U.S. Fish and Wildlife Service.

PROVIDENT ENERGY ASSOCIATES OF MONTANA, LLC

On June 10, 2010, PROVIDENT ENERGY ASSOCIATES OF MONTANA, LLC pled guilty and was sentenced on the charge of violating the Migratory Bird Treaty Act.

PROVIDENT ENERGY ASSOCIATES OF MONTANA, LLC was sentenced to a term of:

- Probation: 18 months
- Fine: \$15,000
- Community Service: \$5,000
- Special Assessment: \$25

In an Offer of Proof filed by Special Assistant U.S. Attorney Robert A. Anderson, the government stated it would have proved at trial the following:

In September 2008, oil sludge began to leak from a long-existing hole in a storage tank at the defendant-operated Two-Medicine Cut Bank Sand Unit in Pondera County. The leaking oil flowed about 50 feet across the ground and formed a 10 x 20-foot pond. Over the course of several days, approximately 18 migratory birds, including an owl, mourning dove and vesper sparrows, came into contact with the oil and died as the result of oil ingestion and coating. An employee of the company reported the spill and deaths to his supervisors, who notified the oil field regulating agency, who notified the

U.S. Fish and Wildlife Service. The defendant's employee told investigators the tank had leaked oil from the hole several times in the past, leading to other bird deaths, but could not explain why it had not been repaired. Photographs were taken and bird carcasses collected for analysis by the wildlife forensics laboratory in Oregon. The defendant company possessed no authority from the U.S. Fish and Wildlife Service permitting it to take migratory birds as part of its oilfield operations. Since the September 2008 event, new leadership at the defendant company has remedied the equipment and personnel problems which caused the migratory bird deaths in this case.

The investigation was conducted by the U.S. Fish and Wildlife Service.

DALE LEROY SATRAN

On May 27, 2010, DALE LEROY SATRAN, a 46-year-old resident of Colstrip, was sentenced to a term of:

- Probation: 1 year
- Special Assessment: \$25
- Fine: \$5,000

SATRAN was sentenced in connection with his guilty plea to the unlawful taking of a Bald Eagle.

In an Offer of Proof filed by Assistant U.S. Attorney Mark S. Smith, the government stated it would have proved at trial the following:

On April 3, 2008, a Montana Fish, Wildlife and Parks (MTFWP) game warden (GW) received information about a wildlife violation committed by SATRAN through a statewide violation reporting system known as Tip-Mont. Based on the information in that tip, the GW interviewed various witnesses.

Witnesses stated that in March of 2006, SATRAN shot and killed a large bird with taloned feet on a property north of Forsyth. They believed the bird to be an eagle. Witnesses said SATRAN shot the eagle mid-air, when it took off from its perch on a post. SATRAN posed for photographs with the dead eagle. The GW later obtained copies of these photographs.

On September 15, 2008, law enforcement officers went to the property where the bird was shot to try to find the spot where SATRAN was photographed with the dead eagle. The officers found the site by comparing the topographical and vegetative features to the photographs. Once in the right location, the officers discovered several bleached bones and a number of large feathers consistent in size and color with eagle feathers. These were collected, sent to the lab, and confirmed to be feathers from a Bald Eagle.

On September 15, 2008, law enforcement officers visited SATRAN's home, where SATRAN consented to an interview. SATRAN ultimately admitted to shooting the eagle, but claimed that he had shot it on the ground, believing it to be a porcupine. SATRAN ultimately admitted cutting off both of the eagle's feet. SATRAN said that he threw the feet in the trash 6-7 hours after arriving home the day of the shooting, and said the feet were most likely now in the Forsyth dump.

On September 17, 2008, SATRAN met with officers to locate the site where he killed the eagle. After several attempts, SATRAN located the site, which was the same place the officers found on September 15, 2008. SATRAN pointed out a bush to the officers, where he said he left the carcass of the eagle. The bush was several feet from where the officers had collected bones and feathers on their September 15th visit. Under the bush, the officers found and collected more bone fragments and feather pieces. SATRAN also showed the officers the spot where he claimed to have been standing when he shot the eagle. The GW took GPS coordinates from the site where SATRAN claimed to have stood when he shot the eagle, and from the site where the eagle had died. The distance between the two locations was about 0.36 miles (~634 yards). Due to the distance, curvature of the land, and vegetation, it would have been impossible to see the eagle on the ground from where SATRAN claims he was standing when he shot the eagle.

Printed copies of two photographs of SATRAN posing with a dead eagle were submitted to the National Fish & Wildlife Forensics Laboratory for species identification along with the feathers and bones recovered at the site where SATRAN said he shot and left the eagle. The lab conducted a morphology examination. The bones and feathers were found to be from a Bald Eagle (*Haliaeetus leucocephalus*). The bird in the photographs was identified as a sub-adult Bald Eagle.

The investigation was a cooperative effort between the U.S. Fish and Wildlife Service, the Montana Department of Fish, Wildlife and Parks, and the Rosebud County Sheriff's Office.

FIREARMS

VICTOR A. ADAMS

On January 7, 2010, VICTOR A. ADAMS, age 21, was sentenced to a term of:

- Prison: 30 months
- Special Assessment: \$100
- Restitution: \$889.90
- Supervised Release: 3 years

ADAMS was sentenced in connection with his guilty plea to theft of firearms from a

federal licensee.

In an Offer of Proof filed by Special Assistant U.S. Attorney Ed Zink, the government stated it would have proved at trial the following:

On February 18, 2009, two males and a female entered Scheels All Sports in Billings. The males approached a glass case containing firearms and managed to open the case. One or both reached in and removed two firearms, later identified as a Beretta 21A .22 caliber semi-automatic pistol and a Magnum Research Micro Eagle .380 caliber semi-automatic pistol.

The two men escaped without apprehension but store video equipment taped the theft and clearly captured images of the two males, along with a female nearby, during the commission of the theft.

Billings Police detectives and Bureau of Alcohol, Tobacco, Firearms and Explosives agents coordinated their investigation as it overlapped the ongoing investigation involving the recent theft of firearms from DaddyO's pawn shop. Investigation and witness statements led to the discovery of ADAMS' involvement relatively quickly. Several witnesses identified ADAMS on the video surveillance.

When interviewed, ADAM provided a full confession and implicated the other involved male.

Presently, neither of the stolen firearms from Scheels have been recovered.

The investigation was a cooperative effort between the Billings Police Department and the Bureau of Alcohol, Tobacco, Firearms and Explosives.

ERIC OWEN BOYD

On March 29, 2010, ERIC OWEN BOYD, a 32-year-old resident of East Helena, was sentenced to a term of:

- Prison: 33 months, concurrent with a state sentence
- Special Assessment: \$100
- Supervised Release: 3 years

BOYD was sentenced in connection with his guilty plea to being a felon-in-possession of a firearm.

In an Offer of Proof filed by Assistant U.S. Attorney Paulette L. Stewart, the government stated it would have proved at trial the following:

On October 17, 2002, BOYD was convicted of felony theft, thereby prohibiting him from

possession of firearms.

On January 6, 2008, while at the East Helena residence of his girlfriend, BOYD drank a bottle of whiskey and retrieved a Jennings/Bryco Arms, Model J-22, .22 caliber pistol from the girlfriend's room. The pistol belonged to BOYD'S mother. After retrieving the pistol, BOYD called his mother and spoke to her about his own death and taking his life. His girlfriend tried to take the pistol away from BOYD. BOYD took the pistol back from his girlfriend and shot himself in the stomach. BOYD'S girlfriend then shouted for her roommate who was asleep in the other room of the residence. The roommate came out and put the pistol in his room before calling 911.

A Lewis and Clark Sheriff's deputy arrived on the scene before the medical units. He spoke with BOYD about why BOYD shot himself, and BOYD told him the wound was an accident while he was "fiddling" with the gun.

The investigation was a cooperative effort between the Lewis and Clark Sheriff's Office and the Bureau of Alcohol, Tobacco, Firearms and Explosives.

LIONEL COTY BRINKERHOFF

On January 21, 2010, LIONEL COTY BRINKERHOFF, a 31-year-old resident of Lovell, Wyoming, was sentenced to a term of:

- Prison: 45 months
- Special Assessment: \$200
- Supervised Release: 3 years

BRINKERHOFF was sentenced in connection with his guilty plea to being a felon-in-possession of a firearm.

In an Offer of Proof filed by Special Assistant U.S. Attorney Ed Zink, the government stated it would have proved at trial the following:

BRINKERHOFF is a convicted felon, with multiple felony convictions from the State of Wyoming.

On November 26, 2008, a citizen in Frannie, Wyoming observed BRINKERHOFF brandishing a firearm. Given the circumstances, the citizen called law enforcement and began to follow the vehicle BRINKERHOFF was driving. BRINKERHOFF drove north into Montana. Local police officers located BRINKERHOFF near Bridger. Two officers attempted to contact him, but he fled on foot. When they caught up with BRINKERHOFF, he fought with the officers. With the assistance of another citizen, the officers secured BRINKERHOFF in handcuffs and took him into custody.

Officers observed a Taurus 9mm pistol in the center console of the BRINKERHOFF's

vehicle in plain view. The firearm was loaded and the serial number was completely obliterated.

The investigation was a cooperative effort between the Bridger Police Department and the Bureau of Alcohol, Tobacco, Firearms and Explosives.

ZOLLIE LOUIS BYRD

On March 23, 2010, ZOLLIE LOUIS BYRD, a 55-year-old resident of South Carolina, was sentenced to a term of:

- Prison: 68 months, consecutive to a South Carolina sentence of 51 months on a similar weapons charge
- Special Assessment: \$100
- Forfeiture: 21 firearms
- Supervised Release: 3 years

BYRD was sentenced in connection with his guilty plea to possession of an unregistered machinegun.

In an Offer of Proof filed by Assistant U.S. Attorney Paulette L. Stewart, the government stated it would have proved at trial the following:

On January 13, 2009, BYRD was convicted in South Carolina for possession of machineguns, thereby prohibiting from possession of any firearms.

On September 1, 2009, Broadwater County Sheriff's deputies responded to a 911 call that someone had hit a fence in Townsend.

On September 2, 2009, BYRD was interviewed and admitted that he had recently been convicted for possession of machineguns. He stated he was traveling alone and all of the recovered firearms belonged to him. He also admitted that most of the firearms recovered were partially manufactured by him as he customized the firearms for his own use. BYRD stated that the Tec 9 was full-auto, meaning that when he held the trigger down, it fired as long as he depressed the trigger and would only stop when released.

Twenty other firearms and 3,000 rounds of related ammunition were also recovered from BYRD'S motor home.

The investigation was a cooperative effort between the Broadwater County Sheriff's Office and the Bureau of Alcohol, Tobacco, Firearms and Explosives.

JOSE MANUEL CORCHADO, JR.

On May 5, 2010, JOSE MANUEL CORCHADO, JR., a 21-year-old resident of Billings, was sentenced to a term of:

- Prison: 8 months
- Special Assessment: \$100
- Supervised Release: 2 years

CORCHADO was sentenced in connection with his guilty plea to possession of a stolen firearm.

In an Offer of Proof filed by Special Assistant U.S. Attorney Ed Zink, the government stated it would have proved at trial the following:

In the early evening of March 27, 2008, Billings Police Department officers were sent to investigate a burglary in progress. In the area, they encountered a vehicle with multiple occupants and two males walking toward that car. The two men matched the description of the burglary suspects. Multiple officers converged and detained the two men and the occupants of the vehicle. The two men were identified as CORCHADO and J.R. Officers located a firearm on J.R.'s person, a "Jennings NINE," 9mm semi-automatic pistol. CORCHADO had \$6,556 in cash on his person, \$6,000 of which was in a clear plastic baggie.

When J.R. was asked where he got the firearm, he said it belonged to CORCHADO. Law enforcement later discovered the pistol had been stolen on December 16, 2007. When interviewed, CORCHADO admitted possession of the gun. When advised that the gun was stolen, CORCHADO declined to state where or how he acquired it and the interview concluded.

The investigation was a cooperative effort between the Billings Police Department and the Bureau of Alcohol, Tobacco, Firearms and Explosives.

KEVIN LEROY CROWDER

On April 20, 2010, KEVIN LEROY CROWDER, a 50-year-old resident of the Bozeman area, was sentenced to a term of:

- Prison: 33 months
- Special Assessment: \$200
- Supervised Release: lifetime

CROWDER was sentenced in connection with his guilty plea to being a felon-in-possession of a firearm.

In an Offer of Proof filed by Assistant U.S. Attorney Marcia K. Hurd, the government stated it would have proved at trial the following:

In May 2009, a Gallatin County Sheriff's Office detective was investigating a case with CROWDER as the suspect. The detective knew that CROWDER was a fugitive from Washington, where he was on supervision for a conviction for felony child molestation in the second degree in Clallam County Court, Washington. CROWDER was sentenced to 24 months confinement followed by 36 to 48 months community custody jail. CROWDER's felony conviction prohibited him from being in possession of a firearm or ammunition.

CROWDER fled to Montana while on supervision and lived first in Bozeman and then in a tent in the Hyalite Canyon area of the Gallatin National Forest south of Bozeman.

In September, the detective issued a press release seeking information about CROWDER's whereabouts. Several people reported CROWDER's whereabouts and that they had seen him during the summer there with a gun.

On September 29, CROWDER was located at a convenience store in Bozeman where he was arrested as a passenger in a truck. The truck's owner consented to a search of the truck and found in the truck was a bandolier-type belt loaded with shotgun shells that belonged to CROWDER. The driver reported that CROWDER had met him at his campsite carrying a shotgun, but the driver told CROWDER that he would not drive him to town with the shotgun. CROWDER hid the shotgun in the bushes by the driver's campsite.

The driver took law enforcement agents to the area where they found and seized the shotgun and ammunition. They also located CROWDER's campsite where two spent 12 gauge shotgun shell casings were found in plain view on the ground. The campsite was secured and a search warrant for the campsite was obtained.

Law enforcement agents served that warrant on October 1, 2009. Photographs of the campsite and tent were taken and seized from the area were numerous boxes of shotgun shells, a day planner with items of CROWDER's inside and other evidence. The shotgun was a Harrington and Richardson 12 gauge. The ammunition was also manufactured outside the state of Montana and traveled in interstate commerce.

The investigation was a cooperative effort between the Gallatin County Sheriff's Office and the Bureau of Alcohol, Tobacco, Firearms and Explosives.

THOMAS J. EMBRY

On February 25, 2010, THOMAS J. EMBRY, age 22, was sentenced to a term of:

- Prison: 51 months

- Special Assessment: \$200
- Supervised Release: 3 years

EMBRY was sentenced in connection with his guilty plea to being a felon-in-possession of a firearm and a violent felon-in-possession of body armor.

In an Offer of Proof filed by Special Assistant U.S. Attorney Ed Zink, the government stated it would have proved at trial the following:

EMBRY is a convicted felon, with a 2005 conviction for assault with a weapon on his record, which is defined as a "crime of violence" under federal law.

Starting September 2008, EMBRY was on Montana felony supervision under "Conditional Release," which is similar in restrictions to parole.

On August 5, 2009, he was stopped by a sheriff's deputy in Billings. A search revealed a Safariland ballistic vest (body armor) and ammunition in the vehicle. EMBRY'S name appeared inside the vest.

After the vest was discovered, a Montana Probation and Parole officer contacted ATF and advised that EMBRY was previously in possession of two firearms. Investigation revealed that EMBRY'S father-in-law became concerned for his daughter. He came to Billings around June 4, 2009. He told investigators that he met with EMBRY'S supervising probation officer, then went to EMBRY'S residence to recover the guns he knew EMBRY possessed. He removed two Glock pistols from the residence and then sold them to a licensed dealer. ATF later recovered these firearms. They were identified as a Glock model 22 .40 S&W caliber semi-automatic pistol and a Glock model 19 9mm semi-automatic pistol.

Investigation revealed the firearms were purchased in Billings on February 9, 2009, and later transferred to EMBRY. The purchaser of the firearms told investigators that EMBRY gave him cash and asked him to purchase these two guns for him. The purchaser said EMBRY drove him to Scheels. There, he said he bought the two guns EMBRY selected. The purchaser said he gave them to EMBRY soon afterward.

The investigation was a cooperative effort between the Yellowstone County Sheriff's Office, U.S. Probation and Parole, and the Bureau of Alcohol, Tobacco, Firearms and Explosives.

BRIAN D. FOOS

On September 8, 2010, BRIAN D. FOOS, age 28, was sentenced to a term of:

- Prison: 57 months
- Special Assessment: \$100

- Supervised Release: 3 years

FOOS was sentenced in connection with his guilty plea to possession of firearm not registered in the National Firearms Registration and Transfer Record.

In an Offer of Proof filed by Special Assistant U.S. Attorney Ed Zink, the government stated it would have proved at trial the following:

On August 21, 2009, law enforcement officers received a tip from the resident of an apartment that an individual, who was a suspect in an active shooting investigation, was staying at her apartment on Lake Elmo Drive in Billings. Officers from several agencies responded and began surveillance and then made entry. Three people were located in one room, including the shooting suspect and FOOS.

Officers discovered a sawed-off shotgun in plain view, within two to five feet from the occupants in the room. FOOS claimed the shotgun as his and stated that he had it for protection, because he lived on the streets. The shotgun was loaded with a round in the chamber. It was a Winchester 12 gauge, with an obscured model number. The overall length was measured at 18.5" and the barrel as 11.75".

FOOS stated that a backpack located in the room was also his. In it, officers found 14 rounds of 12 gauge ammunition. The officers transported FOOS to another location where he provided a statement. FOOS stated he has fired the weapon on several occasions, including times where he used it to protect himself or his friends.

An ATF agent conducted a search of the National Firearms Registration and Transfer Record and did not locate any registration for this NFA firearm nor any weapons registered to FOOS.

The investigation was a cooperative effort between the Bureau of Alcohol, Tobacco, Firearms and Explosives, the Billings Police Department, the Federal Bureau of Investigation, and the U.S. Marshals Violent Offender Task Force.

TYSON LEE GARZA

On March 25, 2010, TYSON LEE GARZA, a 25-year-old resident of Helena, was sentenced to a term of:

- Prison: 87 months, consecutive to another sentence
- Special Assessment: \$100
- Supervised Release: 3 years

GARZA was sentenced in connection with his guilty plea to being a felon-in-possession of a firearm.

In an Offer of Proof filed by Assistant U.S. Attorney Paulette L. Stewart, the government stated it would have proved at trial the following:

On September 26, 2003, GARZA was convicted in Yellowstone County of felony assault with a weapon, thereby prohibiting him from future possession of any firearms.

Between January 9 and March 27, 2009, GARZA stole a Hatsan Escort model, 12 gauge shotgun from an individual identified hereafter as "A.P."

A.P. knew GARZA but did not know the shotgun was stolen until law enforcement informed him that it had been recovered. GARZA had helped A.P. move his belongings from another home into a storage unit.

Between March 23 and March 26, 2009, GARZA and two others discussed robbing a local drug dealer. The first person did not want to be involved, and the second person did not show up to participate in the robbery. GARZA did not attempt the robbery alone.

Then, GARZA, angry that the second person bailed on the robbery plan, went to the residence of a third person looking for the second. GARZA had the loaded shotgun with him and pointed the shotgun at the third person. GARZA told the third person that he was there to kill the second person for backing out of the robbery. The third person was able to wrestle the shotgun from GARZA and forced GARZA to leave the residence. Law enforcement recovered the shotgun a few days later.

The investigation was a cooperative effort between the Helena Police Department and the Bureau of Alcohol, Tobacco, Firearms and Explosives.

GREGORY WAYNE GRIFFIN

On December 16, 2010, GREGORY WAYNE GRIFFIN was sentenced to a term of:

- Probation: 5 years, with 3 months home arrest
- Special Assessment: \$100

GRIFFIN was sentenced in connection with his guilty plea to being a felon-in-possession of a firearm

In an Offer of Proof filed by Assistant U.S. Attorney Tara J. Elliott, the government stated it would have proved at trial the following:

On January 16, 2008, an undercover law enforcement officer (UC) bought two Kadian pills from GRIFFIN at GRIFFIN's residence in Troy. During the transaction, the UC observed GRIFFIN move a shotgun off a bed and put it behind the bedroom door. The UC asked GRIFFIN what he had and offered to buy the shotgun. The UC offered

GRIFFIN \$150 for the gun, and GRIFFIN told him that he (the UC) would have to take the serial numbers off the gun. GRIFFIN told the UC that he bought the gun at a yard sale and that he was not the person who had taken it. The shotgun, a Norinco 12-gauge shotgun, was purchased for \$200 from GRIFFIN.

On January 5, 2000, GRIFFIN was convicted of felony grand theft in Florida and sentenced to 20 months in prison. His conviction was confirmed through receipt of a Florida penitentiary packet with the 2000 conviction paperwork from Pasco County, Florida.

A fingerprint comparison concluded that the person arrested and convicted of felony grand theft in Florida on January 5, 2000, and GRIFFIN who was arrested on April 5, 2008, in Lincoln County are the same person.

The investigation was conducted by the Bureau of Alcohol, Tobacco, Firearms and Explosives.

CHRISTOPHER LEIGHTON HALL

On February 10, 2010, CHRISTOPHER LEIGHTON HALL, a 37-year-old resident of Virginia, was sentenced to a term of:

- Prison: 42 months
- Special Assessment: \$100
- Supervised Release: 3 years

HALL was sentenced in connection with his guilty plea to being a felon-in-possession of a firearm.

In an Offer of Proof filed by Special Assistant U.S. Attorney Ed Zink, the government stated it would have proved at trial the following:

HALL has numerous felony convictions from Virginia, ranging from 1993 to 2002. At the end of December 2008, HALL pawned a Browning BAR .270 rifle at Western Pawnbrokers in Billings.

Investigators learned the owner of the rifle loaned it to HALL at HALL'S request so they could go elk hunting together. Following the hunt, the owner contacted HALL and tried unsuccessfully to get his rifle back. Later, HALL'S wife contacted the owner and told him the gun was pawned. She helped the owner recover the rifle from the pawnshop. The owner then contacted law enforcement.

The investigation was a cooperative effort between the Yellowstone County Sheriff's Office and the Bureau of Alcohol, Tobacco, Firearms and Explosives.

PATRICK LAWRENCE HENDERSON

On October 8, 2010, PATRICK LAWRENCE HENDERSON, a 28-year-old resident of Great Falls, was sentenced to a term of:

- Prison: 117 months
- Special Assessment: \$100
- Supervised Release: 3 years

HENDERSON was sentenced in connection with his guilty plea to being a felon-in-possession of a firearm.

In an Offer of Proof filed by Special Assistant U.S. Attorney Kory Larsen, the government stated it would have proved at trial the following:

On December 13, 2005, in Cascade County, HENDERSON was convicted of felony theft, therefore prohibiting him from possessing firearms.

Between November 5, 2008, and January 4, 2009, E.M. and Patrick Henderson, both recently released by the Montana Department of Corrections on parole, were involved in burglaries of numerous businesses and residences in Great Falls and the surrounding area. During these burglaries, a large amount of personal property was stolen. The estimated value of the stolen items was over \$85,000.

Sometime between January 3 and 4, 2009, the home of J.H. and L.H. in Great Falls was burglarized. The front door was forced open and a smudged shoe print was observed on the door. The home was ransacked and a safe and other personal property were taken. The safe contained two handguns, both .22 semi-auto pistols. These guns and a large amount of other stolen property were found in a storage unit rented by HENDERSON'S sister.

HENDERSON'S sister was questioned and admitted her involvement and named E.M. and her brother, HENDERSON, as the planners and primary participants in the burglaries.

Witnesses would have testified that they saw E.M. with one of the pistols in his hand. These same witnesses verified that both E.M. and HENDERSON were present when the guns were stolen and when the safe was pried open and the gun removed.

E.M. and HENDERSON were arrested while fleeing from the scene of a burglary on Skyline Drive in Great Falls. In HENDERSON'S home, officers found shoes with treads that matched those found at the scene of many of the burglarized businesses and residences. HENDERSON called his other sister from jail after his arrest. During the call, he spoke about some of the stolen items. HENDERSON'S sister said she would get HENDERSON'S property from the storage unit and put it in tubs and take it to her

home. They also discussed that law enforcement would not be able to gain entry without a search warrant.

HENDERSON'S sister rented a storage unit almost immediately after her brother was arrested, and pursuant to a state search warrant, law enforcement officers found a large amount of the stolen property inside. The storage unit is where the officers found the two firearms. Other property from the same burglary was found in HENDERSON'S Ford Explorer which E.M. and the witnesses said was the vehicle used in all of the burglaries.

E.M. was interviewed and admitted involvement in some of the burglaries in the same area as the home where the guns were stolen.

The investigation was a cooperative effort between the Bureau of Alcohol, Tobacco, Firearms and Explosives, the Great Falls Police Department and the Cascade County Sheriff's Office.

ANDREW JAMES JOHNSON

On May 26, 2010, ANDREW JAMES JOHNSON, a 23-year-old resident of Minnesota, was sentenced to a term of:

- Prison: 24 months
- Special Assessment: \$100
- Supervised Release: 2 years

JOHNSON was sentenced in connection with his guilty plea to being a felon-in-possession of a firearm.

In an Offer of Proof filed by Special Assistant U.S. Attorney Ed Zink, the government stated it would have proved at trial the following:

In 2006, JOHNSON was convicted of burglary in Minnesota and was released from prison on April 22, 2009. As a result of this conviction, he was prohibited from possessing firearms.

On April 30, 2009, JOHNSON tried to pawn a stolen shotgun at a pawn shop in Billings. Pawn shop employees learned the gun was reported stolen and contacted law enforcement. The shotgun was identified as a Dakin Antonio Zoli 12 gauge shotgun. JOHNSON completed the pawn sheet and claimed ownership of the firearm since 2004. However, the shotgun was reported stolen in early 2009.

When questioned by law enforcement, JOHNSON stated he and some friends from Minnesota were on a trip to see a sick friend in North Dakota. When that friend's surgery was postponed, they drifted into Billings, then to Yellowstone Park, then back to

Billings. JOHNSON said their gas money ran low so he tried to pawn the shotgun to get the money to return home.

The investigation was conducted by the Bureau of Alcohol, Tobacco, Firearms and Explosives.

JOSHUA MICHAEL JONES

On July 29, 2010, JOSHUA MICHAEL JONES, a 23-year-old resident of Helena, was sentenced to a term of:

- Probation: 5 years
- Special Assessment: \$100

JONES was sentenced in connection with his guilty plea to possession of a stolen firearm.

In an Offer of Proof filed by Assistant U.S. Attorney Vince Carroll, the government stated it would have proved at trial the following:

On October 20, 2008, an agent with the Montana Department of Justice Division of Criminal Investigation, along with a Wheatland County Sheriff's Office deputy, conducted a consent search of an apartment in Harlowton during a narcotics investigation. During the search, the officers located an Auto-Ordnance, Model Thompson 1928, .45-caliber sub-machine gun in a bedroom closet. The occupants of the apartment unit stated that the machine gun belonged to JONES (who was the fiance of one of the occupant's granddaughters). JONES told his fiance and her grandmother (one of the occupants of the apartment) that he inherited the gun from his grandfather.

A subsequent search of the National Firearms Registration and Transfer record revealed that the machine gun was registered to B.S. of Helena. B.S. was interviewed and was not aware that the machine gun was missing. Upon conducting an inventory of his firearms, B.S. indicated that the machine gun was missing. B.S. kept the machine gun in a garage area of his home, and indicated that it must have been stolen when his house was being built, during the time when he was not living there, when several contractors and subcontractors had access to the garage area.

JONES was interviewed and admitted that he stole the machine gun, and that he knew it was a machine gun. He indicated that he had been doing some ranch work on B.S.'s property for an individual named "Wayne." He stated that he stole the machine gun from B.S.'s garage to "make up" for the money that Wayne had not paid him for the ranch work. JONES gave the gun to his fiance's grandmother to keep for him while he was working out of state.

The investigation was a cooperative effort between the Montana Division of Criminal Investigation, the Wheatland County Sheriff's Office, and the Bureau of Alcohol, Tobacco, Firearms and Explosives.

JEREMY WADE JORDAN

On September 27, 2010, JEREMY WADE JORDAN, a 30-year-old resident of Great Falls, was sentenced to a term of:

- Prison: 45 months
- Special Assessment: \$100
- Supervised Release: 3 years

JORDAN was sentenced in connection with his guilty plea to being a felon-in-possession of a firearm.

In an Offer of Proof filed by Assistant U.S. Attorney Carl E. Rostad, the government stated it would have proved at trial the following:

In 2010, JORDAN was on supervised release for a January 2008 federal conviction for being a felon-in-possession.

In the afternoon of April 2, 2010, law enforcement officers searched JORDAN's residence. During the search, they located a Taurus .45 caliber semi-automatic handgun, a loaded Smith and Wesson .38 caliber semi-automatic pistol, and various rounds of ammunition.

Before the firearms were found, JORDAN admitted to his probation officer that he had a firearm in the residence, which the officer, with JORDAN's directions, located in a hall closet. This firearm was the Taurus .38 revolver. The probation officer alerted the police officers on site. A second probation officer discovered a loaded .45 caliber pistol. JORDAN told the probation officers that everything that they had found in the apartment belonged to him.

The investigation was a cooperative effort between the Bureau of Alcohol, Tobacco, Firearms and Explosives, the U.S. Marshals Service, and the Great Falls Police Department.

KENNEDY ANN KINDNESS

On July 28, 2010, KENNEDY ANN KINDNESS, a 25-year-old resident of Helena, was sentenced to a term of:

- Probation: 3 years
- Special Assessment: \$100

KINDNESS was sentenced in connection with her guilty plea to being a felon-in-possession of a firearm.

In an Offer of Proof filed by Assistant U.S. Attorney Tara J. Elliott, the government stated it would have proved at trial the following:

On September 6, 2006, KINDNESS was convicted of deceptive practices which thereby prohibited her from possessing firearms.

On February 23, 2009, KINDNESS, along with another individual, fired and used a firearm, that is, a Hi-Point 9mm pistol near Helena.

The investigation was conducted by the Bureau of Alcohol, Tobacco, Firearms and Explosives.

BRENT W. LARSSON

On October 12, 2010, BRENT W. LARSSON, a 29-year-old resident of Billings, was sentenced to a term of:

- Prison: 24 months
- Special Assessment: \$400
- Supervised Release: 3 years

LARSSON was sentenced in connection with his guilty plea to being a felon-in-possession of a firearm.

In an Offer of Proof filed by Special Assistant U.S. Attorney Ed Zink, the government stated it would have proved at trial the following:

LARSSON is a convicted felon on felony probation in Montana. As a result of his conviction, he was prohibited from possessing firearms.

In June 2009, members of the U.S. Marshals Violent Offender Task Force were looking for LARSSON for an outstanding warrant. They learned that while on state probation, LARSSON pawned three firearms in May 2009. They contacted an ATF agent and he started an investigation.

The investigation tracked down the owner of four firearms, T.H. T.H. told agents that he and LARSSON went and shot numerous firearms of T.H.'s together in early May. After shooting them, LARSSON persuaded T.H. to allow him to keep four of the firearms so he could clean them. T.H. said he made several unsuccessful efforts to get his guns returned to him and eventually reported them as stolen to the Billings Police Department.

Before this report was made, ATF agents and members of the Marshals Task Force had already determined all four of the guns had been pawned at different stores in Billings.

On May 18, 2009, a man identified here as J.T. pawned one of the guns at a pawn shop in Billings. This gun was an FNH FN AR, .308 caliber semi-automatic rifle. J.T. later told the officer that LARSSON asked J.T. to pawn the gun for him and that LARSSON stood by him during the pawn transaction. J.T. stated that LARSSON provided the answers to the pawn slip questions as they pawned the gun.

On May 24, 2009, at another pawn shop in Billings, LARSSON himself pawned a Vulcan, model V 10-9, 9mm semi-automatic pistol.

On May 26, 2006, at yet another pawn shop in Billings, LARSSON pawned a DPMS AR-15, .223 caliber semi-automatic rifle.

On May 31, 2009, again at previous pawn shop in Billings, LARSSON pawned a Glock, Model 23, .40 S&W caliber semi-automatic pistol.

Agents recovered the receipts for LARSSON's three pawn transactions which showed LARSSON was identified each time by a Montana driver's license for identification.

The investigation was a cooperative effort between the U.S. Marshals Violent Offender Task Force, the Montana Probation and Parole and the Bureau of Alcohol, Tobacco, Firearms and Explosives.

BYRON SCOTT LUCKEY

On January 14, 2010, BYRON SCOTT LUCKEY, a 21-year-old resident of Great Falls, was sentenced to a term of:

- Prison: 27 months
- Special Assessment: \$100
- Supervised Release: 3 years

LUCKEY was sentenced in connection with his guilty plea to possession of a stolen firearm.

In an Offer of Proof filed by Special Assistant U.S. Attorney Kory Larsen, the government stated it would have proved at trial the following:

On March 5, 2009, during the course of another investigation, law enforcement agents detained LUCKEY and another individual. This individual advised law enforcement that he had given a stolen handgun to LUCKEY to carry for protection. He also stated that LUCKEY later traded him cocaine and cash for the handgun.

When questioned, LUCKEY confirmed these statements and admitted he carried a handgun during their drug deals for protection and to intimidate those they dealt with.

The investigation was a cooperative effort between the Central Montana Drug Task Force and the Bureau of Alcohol, Tobacco, Firearms and Explosives.

ERICK THOMAS RED DOG

On March 15, 2010, ERICK THOMAS RED DOG, a 38-year-old resident of Wolf Point, was sentenced to a term of:

- Prison: 33 months
- Special Assessment: \$100
- Supervised Release: 2 years

RED DOG was sentenced in connection with his guilty plea to being a felon-in-possession of a firearm.

In an Offer of Proof filed by Assistant U.S. Attorney Paulette L. Stewart, the government stated it would have proved at trial the following:

On December 18, 2002, RED DOG was convicted of assault with a dangerous weapon thereby prohibiting him from possession of firearms.

On March 5, 2009, RED DOG possessed and discharged a Stevens .243 rifle outside of Wolf Point. RED DOG took the rifle away from his girlfriend's son while having a dispute with his girlfriend at her residence.

When interviewed, RED DOG admitted that he was in a bad mood and had gotten into an argument with his girlfriend. While he screamed at his girlfriend, her son came into the living room with his rifle. RED DOG admitted to taking the rifle from the son and putting it under his own chin. When RED DOG removed the rifle from his own chin, the rifle accidentally discharged and sent a bullet into the ceiling. RED DOG then threw the rifle to the ground, left the residence, and was arrested shortly thereafter by the Roosevelt County Sheriff's deputies.

The investigation was a cooperative effort between the Roosevelt County Sheriff's Office and the Bureau of Alcohol, Tobacco, Firearms and Explosives.

JOSHUA ROBERT LUDTKE

On September 2, 2010, JOSHUA ROBERT LUDTKE, age 27, was sentenced to a term of:

- Prison: 120 months
- Special Assessment: \$200
- Supervised Release: 3 years

LUDTKE was sentenced in connection with his guilty plea to possession of stolen firearms and possession of a stolen firearm with an obliterated serial number.

In an Offer of Proof filed by Special Assistant U.S. Attorney Ed Zink, the government stated it would have proved at trial the following:

On January 3, 2009, a person in Rosebud County reported that three firearms were stolen from his residence. They were identified as a Ruger Security Six .357 revolver, a Benelli Nova 12 gauge shotgun, and a Winchester model 70 XTR Sporter Varmint .22-250 rifle. LUDTKE was named as a suspect early in the investigation.

On December 31, 2008, LUDTKE was arrested in Rosebud County on a Wyoming felony theft warrant and was incarcerated in the Rosebud County Jail. While there, LUDTKE met with a friend of his, R.K., and had a conversation which was recorded. During the conversation, LUDTKE asked R.K. to go to his trailer and pick up some of his "valuables." R.K. later told law enforcement that LUDTKE gestured with his hand to simulate a firearm when he made this request. R.K. left the jail, went to LUDTKE's trailer and recovered the three stolen firearms. R.K. later turned them over to law enforcement and provided a statement, implicating LUDTKE. An additional witness also identified LUDTKE as possessing these firearms.

As the investigation continued, LUDTKE was named as a suspect in state wildlife violations and that investigation showed LUDTKE possessed a fourth firearm, a Winchester model 70 .300 magnum rifle with an obliterated serial number. A witness told law enforcement that LUDTKE traded him this firearm for a truck on or about December 17, 2008. The ATF Firearms Technology Branch was able to restore a serial number on this rifle which led to the discovery of its rightful owner.

The investigation was a cooperative effort between the Rosebud County Sheriff's Office, the Montana Department of Fish, Wildlife and Parks, and the Bureau of Alcohol, Tobacco, Firearms and Explosives.

JOHN GAVIN MALIZIA

On July 22, 2010, JOHN GAVIN MALIZIA, a 47-year-old resident of Helena, was sentenced to a term of:

- Probation: 5 years
- House Arrest: 6 months
- Special Assessment: \$100

MALIZIA was sentenced in connection with his guilty plea to being a felon-in-possession of a firearm.

In an Offer of Proof filed by Assistant U.S. Attorney Tara J. Elliott, the government stated it would have proved at trial the following:

On October 13, 2003, MALIZIA was convicted of a crime punishable by imprisonment for a term exceeding one year under the laws of the State of Washington, which thereby prohibited him from possession of firearms.

On February 2, 2009, MALIZIA possessed and pawned a Mossberg 12 gauge shotgun in Helena and then attempted to redeem the same.

The investigation was conducted by the Bureau of Alcohol, Tobacco, Firearms and Explosives.

ERROL ARAM MANN

On July 19, 2010, ERROL ARAM MANN, a 33-year-old resident of Great Falls, was sentenced to a term of:

- Prison: 235 months
- Special Assessment: \$100
- Supervised Release: 5 years

MANN was sentenced in connection with his guilty plea to being an armed career criminal.

In an Offer of Proof filed by Special Assistant U.S. Attorney Kory Larsen, the government stated it would have proved at trial the following:

Between November 5, 2008, and January 4, 2009, MANN and Patrick Henderson, both recently released by the Montana Department of Corrections on parole, were involved in burglaries of numerous businesses and residences in Great Falls and the surrounding area. During these burglaries, a large amount of personal property was stolen. The estimated value of the stolen items was over \$85,000.

Sometime between January 3 and 4, 2009, the home of J.H. and L.H. in Great Falls was burglarized. The front door was forced open and a smudged shoe print was observed on the door. The home was ransacked and a safe and other personal property were taken. The safe contained two handguns, both .22 semi-auto pistols. These guns and a large amount of other stolen property were found in a storage unit rented by Henderson's sister.

Henderson's sister was questioned and admitted her involvement and named MANN

and her brother as the planners and primary participants in the burglaries.

Witnesses would have testified that they saw MANN with one of the pistols in his hand. These same witnesses verified that both MANN and Henderson were present when the guns were stolen and when the safe was pried open and the gun removed.

MANN and Henderson were arrested while fleeing from the scene of a burglary on Skyline Drive in Great Falls. In Henderson's home, officers found shoes with treads that matched those found at the scene of many of the burglarized businesses and residences. The shoes also had broken glass fragments imbedded in them which matched the scene of several of the burglaries where windows and glass doors were broken to gain entry. Also found was a pry bar and a baseball bat. The bat had glass embedded in its surface as well.

Henderson called his other sister from jail after his arrest. During the call, he spoke about some of the stolen items including cigarettes and lottery tickets. Henderson's sister said she would get Henderson's property from the storage unit and put it in tubs and take it to her home. They also discussed that law enforcement would not be able to gain entry without a search warrant.

Henderson's sister rented a storage unit almost immediately after her brother was arrested, and pursuant to a state search warrant, law enforcement officers found a large amount of the stolen property inside. The storage unit is where the officers found the two firearms. Other property from the same burglary was found in Henderson's Ford Explorer which MANN and the witnesses said was the vehicle used in all of the burglaries.

MANN was interviewed and admitted involvement in some of the burglaries in the same area as the home where the guns were stolen.

On January 3, 2009, Henderson was evicted from his Great Falls apartment. Henderson had a storage shed at the apartment which contained the proceeds of burglaries committed with and without MANN. Henderson enlisted MANN to move the contents to his sister's residence. Among the items MANN moved was a gun case. MANN looked inside the gun case and saw a pistol which he briefly handled. This handgun was one of the two handguns found in the storage unit mentioned above.

Evidence would have been presented to show that MANN was convicted of felony assault on a minor in 2007 in Cascade County; convicted of felony burglary in 2003 in Cascade County; and convicted of felony aggravated assault in 1995 in Hill County. MANN was on parole for one or more of these convictions at the time the firearm was stolen and possessed.

Henderson pled guilty to federal charges and has been sentenced.

The investigation was a cooperative effort between the Bureau of Alcohol, Tobacco, Firearms and Explosives, the Great Falls Police Department and the Cascade County Sheriff's Office.

JAMES WAYNE MANN

On July 28, 2010, JAMES WAYNE MANN, a 54-year-old resident of Butte, was sentenced to a term of:

- Prison: 19 months, concurrent with another sentence
- Special Assessment: \$100
- Restitution: \$1,160
- Supervised Release: 3 years

MANN was sentenced in connection with his guilty plea to being a felon-in-possession of a firearm.

In an Offer of Proof filed by Assistant U.S. Attorney Timothy J. Racicot, the government stated it would have proved at trial the following:

In 2009, MANN was on supervised release following his release from prison for a bank robbery conviction in 2000.

In early September 2009, MANN admitted to his probation officer that he had stolen four firearms from his landlord in Butte and pawned them.

Following an investigation, it was discovered that MANN had pawned a .303-caliber rifle in Butte on August 25, 2009, and two Winchester, Model 12, 12-gauge shotguns on September 2, 2009. MANN also pawned a .22-caliber rifle in Butte on August 31, 2009.

MANN faces possible penalties of 10 years in prison, a \$250,000 fine and at least 3 years supervised release.

The investigation was a cooperative effort between Montana Probation and Parole and the Bureau of Alcohol, Tobacco, Firearms and Explosives.

DANIEL NATHAN McKEE

On December 16, 2010, DANIEL NATHAN McKEE, a 22-year-old resident of Missoula, was sentenced to a term of:

- Prison: 60 months, consecutive to a state court sentence
- Special Assessment: \$100
- Forfeiture: firearms
- Supervised Release: 3 years

McKEE was sentenced in connection with his guilty plea to being a felon-in-possession of a firearm.

In an Offer of Proof filed by Assistant U.S. Attorney Tara J. Elliott, the government stated it would have proved at trial the following:

On August 13, 2009, Missoula High Intensity Drug Trafficking Area (HIDTA) Task Force members did a probation search on McKEE based on information they received from a confidential source. Agents found eight firearms in McKEE's bedroom and two firearms in his father's bedroom. There were a total of four rifles, six pistols, ammunition, and one tactical vest. One of the rifles was converted to be fully automatic.

McKEE was convicted in 2006 in Montana State Court of assault with a weapon and was thereby prohibited from possessing firearms.

The investigation was a cooperative effort between the Missoula High Intensity Drug Trafficking Area (HIDTA) Task Force, the Federal Bureau of Investigation and the Bureau of Alcohol, Tobacco, Firearms and Explosives.

DAVID PALUMBO

On December 13, 2010, DAVID PALUMBO, a 23-year-old resident of Evans, Washington, was sentenced to a term of:

- Prison: 120 months
- Special Assessment: \$100
- Supervised Release: 5 years

PALUMBO was sentenced in connection with his guilty plea to possession of a firearm in furtherance of a drug-trafficking crime.

In an Offer of Proof filed by Assistant U.S. Attorney Tara J. Elliott, the government stated it would have proved at trial the following:

On December 5, 2009, PALUMBO, B.S., and R.H. were traveling in a vehicle in Flathead County purportedly for B.S. and R.H. to purchase cocaine from PALUMBO, however, they were actually setting him up for a robbery. B.S. stated he observed PALUMBO to have a large quantity of cocaine in a bag inside the vehicle they were traveling in. While all three were enroute to a residence where the "distribution of cocaine" was to take place, B.S. attempted to steal the cocaine from PALUMBO. B.S. and PALUMBO each presented firearms during the course of the robbery and fired them. B.S. was shot by PALUMBO multiple times and hospitalized. PALUMBO was not shot and escaped by foot with the cocaine.

The investigation was a cooperative effort between the Drug Enforcement

Administration and the Missoula High Intensity Drug Trafficking Area (HIDTA) Task Force.

DAVID JOHN ROBERTS

On September 8, 2010, DAVID JOHN ROBERTS, a 42-year-old resident of Missoula, was sentenced to a term of:

- Prison: 24 months
- Special Assessment: \$100
- Supervised Release: 3 years

ROBERTS was sentenced in connection with his guilty plea to possession of a firearm and ammunition after having been convicted of misdemeanor domestic violence.

In an Offer of Proof filed by Assistant U.S. Attorney Tara J. Elliott, the government stated it would have proved at trial the following:

On June 6, 2005, ROBERTS was convicted of a misdemeanor crime of domestic violence in the state of Oregon.

On January 14, 2008, ROBERTS admitted to being in possession of firearms. A search warrant of his home was conducted and a pistol was recovered in his bedroom along with a large amount of ammunition. Additionally, he admitted he had stored numerous rifles at his father's home.

The investigation was conducted by the Bureau of Alcohol, Tobacco, Firearms and Explosives.

JOSHUA SCARBOROUGH

On January 11, 2010, JOSHUA SCARBOROUGH, a 20-year-old resident of Billings, was sentenced to a term of:

- Prison: 60 months
- Special Assessment: \$200
- Restitution: to be determined
- Supervised Release: 3 years

SCARBOROUGH was sentenced in connection with his guilty plea to theft of firearms from a federal licensee.

In an Offer of Proof filed by Special Assistant U.S. Attorney Ed Zink, the government stated it would have proved at trial the following:

On February 3, 2009, the DaddyO's Pawn shop at 1116 Central Avenue in Billings was burglarized. The burglary was committed in the early morning hours and was accomplished when a stolen vehicle was driven through the front windows of the store. During the burglary, two firearms were stolen, a Cobra model 380, .380 caliber semi-automatic pistol and a Taurus model 24/7 9mm semi-automatic pistol. DaddyO's Pawn shop is a federally licensed dealer of firearms.

On February 13, 2009, Billings police detectives received an anonymous tip that Joshua Qualls was involved in the DaddyO's Pawn shop burglary. Following this tip, and through witness interviews, Qualls and SCARBOROUGH were identified as the suspects. Witnesses told police that Qualls admitted to them that he and SCARBOROUGH were responsible for breaking into DaddyO's pawn shop. With this information, Qualls was interviewed on March 12, 2009. Qualls said he and SCARBOROUGH were involved in the burglary of DaddyO's Pawn shop on February 2, 2009. Qualls described the events that he could remember, including the theft of a Ford Expedition. Qualls said after they stole the Expedition, he and SCARBOROUGH drove two vehicles to the area, parking one. Then Qualls said he got into the Expedition with SCARBOROUGH. Qualls said SCARBOROUGH drove the Expedition through the front of the store, while Qualls braced himself. Qualls said they left the Expedition in the store and fled on foot to the other vehicle and drove away.

Qualls said he didn't remember everything, but he did recall handling two firearms afterward. Qualls was unable to tell remember the location of the two stolen guns and they have not yet been recovered. The business itself was heavily damaged during the burglary and theft.

On February 18, 2009, two males and a female entered Scheels All Sports in Billings. Scheels is a federally licensed firearms dealer. The males approached a glass case containing firearms and managed to open the case. One or both reached in and removed two firearms, later identified as a Beretta 21A .22 caliber semi-automatic pistol and a Magnum Research Micro Eagle .380 caliber semi-automatic pistol.

The two men escaped without apprehension but store video equipment taped the theft and clearly captured images of the two males, along with a female nearby, during the commission of the theft.

Billings police detectives and ATF coordinated their investigation as it overlapped the ongoing investigation involving the theft of firearms from DaddyO's pawn shop. Investigation and witness statements led to the discovery of Victor Adams' involvement relatively quickly. Several witnesses identified Adams and SCARBOROUGH on the video surveillance.

When interviewed, Adams provided a full confession and in which he implicated SCARBOROUGH as the other male involved.

Presently, none of the stolen firearms from Scheels or DaddyO's have been recovered. However, police recovered photographs of two of them from a cell phone belonging to an associate of Qualls and SCARBOROUGH, along with a statement about how and when those pictures were taken.

Adams and Qualls pled guilty to federal charges and have been sentenced.

The investigation was a cooperative effort between the Billings Police Department and the Bureau of Alcohol, Tobacco, Firearms & Explosives.

DANIEL WALTER SEYFERT

On July 19, 2010, DANIEL WALTER SEYFERT, a 55-year-old resident of Great Falls, was sentenced to a term of:

- Prison: 26 months
- Special Assessment: \$100
- Supervised Release: 3 years

SEYFERT was sentenced in connection with his guilty plea to being a felon-in-possession of a firearm.

In an Offer of Proof filed by Special Assistant U.S. Attorney Kory Larsen, the government stated it would have proved at trial the following:

On January 21, 2009, a detective with the Great Falls Police Department learned from a reliable confidential source, that an individual on probation, SEYFERT, had possession of two handguns at his residence.

After the detective confirmed SEYFERT's probation status, the detective and state probation officers went to SEYFERT's home to conduct a probation search.

SEYFERT answered their knock and when asked about the gun, told one of the probation officers that he had a loaded gun in his dresser.

During the search, officers found a loaded .45 caliber handgun and 70+ rounds of ammunition. The serial number was partially removed and only the letter W remained on the gun. The gun was found in the dresser drawer where SEYFERT had told them it would be found.

When interviewed, SEYFERT admitted he knew the gun was in the home and that he had handled it and cleaned it. SEYFERT also admitted he knew he was not allowed to be in possession of any firearms, but stated he did not know simply having the gun in the home was enough for him to be in constructive possession of it. SEYFERT stated that he had no idea how the serial number had been removed.

SEYFERT's girlfriend was interviewed and said the gun was hers, but also said SEYFERT gave it to her about three years ago. She also had no idea how the serial number was removed.

SEYFERT had previously been convicted of a felony bad check offense in Flathead County and his probation had been revoked twice for prior violations, thereby prohibiting him from possessing firearms.

The investigation was a cooperative effort between the Great Falls Police Department, Montana Probation and Parole, and the Bureau of Alcohol, Tobacco, Firearms and Explosives.

MIRANDA LEE SHERIDAN

On September 29, 2010, MIRANDA LEE SHERIDAN, age 25, was sentenced to a term of:

- Prison: 24 months
- Special Assessment: \$100
- Supervised Release: 3 years

SHERIDAN was sentenced in connection with her guilty plea to being a felon-in-possession of a firearm.

In an Offer of Proof filed by Special Assistant U.S. Attorney Ed Zink, the government stated it would have proved at trial the following:

On February 6, 2007, SHERIDAN was sentenced to three years deferred in Missoula County for issuing bad checks—common scheme. This sentence was revoked on December 18, 2007, and SHERIDAN was sentenced to 8 years, with 5 years suspended. As of October 2009, SHERIDAN was on conditional release from the Women's Prison in Billings.

On October 8, 2009, SHERIDAN's probation officer went to the residence of another offender, S.V., who tested positive for methamphetamine. Additionally, the officer received information that SHERIDAN and her brother had involvement in a burglary of large amounts of cash (\$60,000 to \$80,000) in another county. When the probation officer and other officers arrived at the residence of S.V., they observed SHERIDAN walking rapidly or running away from a vehicle that was parked out front. This vehicle was known to belong to SHERIDAN, although it was temporarily registered to a friend of hers, L.S., who was also supervised by the same probation officer.

S.V. told the probation officer that the woman they saw walking away from the vehicle was in fact SHERIDAN and that the vehicle belonged to SHERIDAN. The officer decided to search the vehicle. In the trunk, the probation officer located a Cobra model

FS380 .380 semi-auto pistol. The firearm was loaded with 5 rounds in the magazine. Also in the trunk was a box of 45 rounds of .380 ammunition; \$3,000 in cash; assorted drug paraphernalia and several items of clothing and several pairs of new men's shoes.

A witness would testify the recovered firearm was not manufactured in the State of Montana and traveled in or affected interstate commerce before SHERIDAN possessed them.

The investigation was a cooperative effort between Montana Probation and Parole and the Bureau of Alcohol, Tobacco, Firearms and Explosives.

RYAN NEALE SPOONER

On March 24, 2010, RYAN NEALE SPOONER, a 27-year-old resident of Billings, was sentenced to a term of:

- Prison: 14 months
- Special Assessment: \$100
- Restitution: \$150
- Supervised Release: 3 years

SPOONER was sentenced in connection with his guilty plea to being a felon-in-possession of a firearm.

In an Offer of Proof filed by Special Assistant U.S. Attorney Ed Zink, the government stated it would have proved at trial the following:

On March 19, 2004, SPOONER was sentenced for possession of a Schedule II controlled substance in the State of Colorado, thereby prohibiting him from possession of firearms.

On April 23, 2009, a Yellowstone County Sheriff's deputy was sent to a neighborhood for a reported suspicious person and vehicle. The neighborhood had been beset with burglaries and thefts during this time frame. The deputy located the vehicle and the suspicious person and contacted the occupant, identified as SPOONER. The deputy noted several items in SPOONER'S vehicle that appeared out of place and he asked about them. SPOONER said he was a recovering heroin addict and was pawning numerous items "to survive." The deputy later learned SPOONER was a convicted felon and checked his pawn transaction history where he learned SPOONER pawned two firearms on March 23, 2009. These were identified as a Winchester Ranger 120 12 gauge shotgun and a Mossberg by Kayman Art S.S. 20 gauge shotgun. Further investigation showed SPOONER unsuccessfully tried to redeem the two shotguns out of pawn on April 28, 2009. On the 4473 form, SPOONER falsely stated that he was not a convicted felon.

The investigation was a cooperative effort between the Yellowstone County Sheriff's Office and the Bureau of Alcohol, Tobacco, Firearms and Explosives.

FRANCIS BERNARD STROEBE

On May 19, 2010, FRANCIS BERNARD STROEBE was sentenced to a term of:

- Prison: 15 months, consecutive to another sentence
- Special Assessment: \$100
- Supervised Release: 3 years

STROEBE was sentenced in connection with his guilty plea to being a felon-in-possession of a firearm.

In an Offer of Proof filed by Special Assistant U.S. Attorney Ed Zink, the government stated it would have proved at trial the following:

On July 12, 2009, the Montana Highway Patrol was investigating a fatality crash of a minor girl. The crash appeared to be alcohol-related. Witnesses stated that the decedent was at a party at STROEBE's residence where alcohol had been served to her. Patrol officers learned that STROEBE is a convicted felon on probation and took his probation officer to his house.

As STROEBE has a history of fleeing from law enforcement, numerous police officers converged and surrounded the house. STROEBE barricaded himself in the house and refused to answer the door. Officers saw someone at a window and forced entry, but no one was found inside. One of the officers that remained outside saw STROEBE make his way to the roof and attempt to hide there.

STROEBE was arrested, along with other males who had also violated their probation. One of the males had a cell phone and a camera. The officers seized both as they may have contained pictures of alcohol consumption at the party and therefore would be evidence in the minor girl's fatality. When officers searched these cameras, they located digital photos of STROEBE possessing and shooting two guns, a rifle on one occasion and a pistol on another occasion. The firearms were later identified as a Taurus model PT 24/7 Pro DS, .40 caliber semi-automatic pistol, and a Winchester Model 12, 12 gauge pump shotgun.

Investigators interviewed several witnesses and determined the photographs of STROEBE with the firearms were taken during the fall of 2008 and spring of 2009. STROEBE has been on felony probation since 2004.

KEVIN PATRICK WARD

On March 31, 2010, KEVIN PATRICK WARD, a 30-year-old resident of Great Falls,

was sentenced to a term of:

- Prison: 33 months
- Special Assessment: \$100
- Supervised Release: 3 years

WARD was sentenced in connection with his guilty plea to being a felon-in-possession of a firearm.

In an Offer of Proof filed by Special Assistant U.S. Attorney Kory Larsen, the government stated it would have proved at trial the following:

On December 12, 1997, WARD was convicted in the state of Illinois of two counts of felony theft and one count of felony burglary and another felony theft on April 12, 2000. Illinois has an absolute restriction of the right to possess a firearm by a felon and requires an application or affirmative restoration which had not occurred in either case.

During an investigation into drug trafficking, prostitution and extortion at a bar in Great Falls, an undercover officer became acquainted with WARD who had worked in the bar for a short time.

During an operation on May 21, 2008, to bolster the undercover agent's cover and show him to be involved in illegal activity, WARD traveled with the undercover agent to what WARD believed to be a transfer of illegal firearms. Everyone involved except for WARD was a law enforcement agent and the firearms involved were actually realistic looking mock Mac-10 machine guns from the ATF.

Prior to traveling to the location of the transfer, the undercover agent asked WARD if he was "packing" and WARD replied "Always." WARD removed the loaded magazine from a pistol he pulled from his waistband and handed the handgun to the undercover officer. The undercover officer identified it as a Hi-Point 9 millimeter semi-automatic nine millimeter handgun.

The two talked about the gun and WARD said it was a "legal" gun that his girlfriend bought in Great Falls, but it wasn't legal for him, which the undercover officer believed was due to WARD's prior felony conviction.

Later, the two met when WARD was looking for money to finance a trip out of state to purchase marijuana. The undercover officer offered to buy the handgun from WARD. WARD sold the handgun to the undercover officer for \$250. WARD pulled the gun from where he had it concealed in his waistband and handed it to the undercover officer who saw that it was loaded. The firearm was a Hi-Point, Model C9, 9 millimeter semi-automatic pistol.

The undercover officer recognized it as the same handgun WARD had been carrying

on May 21. WARD told the undercover officer to alter or remove the serial number from the gun so his girlfriend would not get into trouble.

The investigation was a cooperative effort between the Bureau of Alcohol, Tobacco, Firearms and Explosives, U.S. Immigration and Customs Enforcement, the Montana Division of Criminal Investigation, the Great Falls Police Department and the Cascade County Sheriff's Office.

JAMES W. WATSON

On September 1, 2010, JAMES W. WATSON, age 32, was sentenced to a term of:

- Prison: 46 months, consecutive to another sentence
- Special Assessment: \$100
- Supervised Release: 3 years

WATSON was sentenced in connection with his guilty plea to being a felon-in-possession of a firearm.

In an Offer of Proof filed by Special Assistant U.S. Attorney Ed Zink, the government stated it would have proved at trial the following:

WATSON is a convicted felon, presently under the supervision of the Montana Department of Corrections stemming from a 2009 sentence. WATSON is prohibited from possessing firearms.

On August 20, 2009, the Bureau of Alcohol, Tobacco, Firearms and Explosives became involved in an investigation after learning that WATSON may be in possession of a firearm. WATSON lived in a camper on a car lot, causing a Billings Code Enforcement Officer to take notice.

During the week of August 17, the code officer observed WATSON outside the camper, wearing only shorts with a handgun tucked in the waistband. She notified police, who contacted an Bureau of ATF officer. The officer learned WATSON was on conditional release, which is treated as inmate status by the Department of Corrections. WATSON's supervising officers decided to attempt contact with WATSON based on the information, and they asked the ATF officer to accompany them. They all arrived at the camper on August 21, 2009. WATSON was not present and the supervising officers decided to search the camper for the gun. Inside, a loaded Springfield Armory V-10 semi-automatic .45 ACP pistol was seized.

The investigation was a cooperative effort between the Billings Police Department, the Bureau of Alcohol, Tobacco, Firearms and Explosives and Montana Probation and Parole.

RONALD WESLEY WILEY

On September 29, 2010, RONALD WESLEY WILEY, age 51, was sentenced to a term of:

- Prison: 23 months, concurrent with another sentence
- Special Assessment: \$200
- Supervised Release: 3 years

WILEY was sentenced in connection with his guilty plea to being a felon-in-possession and fugitive from justice in possession of a firearm.

In an Offer of Proof filed by Special Assistant U.S. Attorney Ed Zink, the government stated it would have proved at trial the following:

In the fall of 2009, WILEY applied to visit an inmate at the Shelby Correctional Center. As part of standard procedure, authorities there ran a criminal background check on WILEY and learned he was a convicted felon and a wanted fugitive from Oregon. Further investigation revealed WILEY had been on parole in Oregon and had absconded more than 10 years ago. WILEY has multiple felony convictions, including two counts of unlawful delivery of a controlled substance in 1995.

A Montana probation officer and members of the U.S. Marshal's Violent Offender Task Force went to the address WILEY put on his application. From outside the apartment, they observed multiple firearms in plain view through the windows. Agents applied for and received a federal search warrant for the apartment and seized seven firearms from inside. Before the search, WILEY arrived outside and declined consent, saying he didn't want "his guns" taken away.

The firearms seized were identified as a Ruger Model 10/22 .22 caliber rifle; a Remington Model 700 7mm Magnum rifle; a Winchester .25-35 rifle; an F.I.E. .22 caliber revolver; a New England Arms Model Pardner 12 gauge shotgun; a Remington Model Sportsmaster 512-X .22 caliber rifle and a Savage Model 87A .22 caliber semi-automatic rifle. Ammunition was also located.

The investigation was a cooperative effort between the Montana Probation and Parole, the U.S. Marshal's Violent Offender Task Force and the Bureau of Alcohol, Tobacco, Firearms and Explosives.

FRAUD

MARVIN EARL ALBACK

On May 26, 2010, MARVIN EARL ALBACK, a 62-year-old resident of Billings, was

sentenced to a term of:

- Prison: 18 months
- Special Assessment: \$200
- Restitution: to be determined within 90 days
- Fine: \$5,000
- Community Service: 60 hours
- Supervised Release: 3 years

ALBACK was sentenced in connection with his guilty plea to wire fraud and bankruptcy fraud.

In an Offer of Proof filed by Assistant U.S. Attorney Ryan M. Archer, the government stated it would have proved at trial the following:

ALBACK is an attorney in Billings and handles numerous cases in bankruptcy court. In March 2008, a local Billings family hired ALBACK to file a Chapter 13 bankruptcy petition on their behalf. When the family had difficulty making their mortgage payment, ALBACK instructed them to write their settlement and mortgage payments to him and he would deposit them with the bank. ALBACK deposited these checks into his trust account. ALBACK never made payments on the mortgage and, although he eventually paid them back, he caused significant back payments and late fees to avoid foreclosure. Investigation revealed that ALBACK also obtained the family's 2008 tax refund check for \$557 while he was representing them in the bankruptcy proceeding. Unbeknownst to the victims or the bankruptcy trustee, ALBACK deposited the check into his business operating account and used it for his own personal purposes. The tax refund check belonged to the bankruptcy estate.

During the course of that bankruptcy, ALBACK represented another woman in a wrongful termination lawsuit. The lawsuit settled for \$12,500 in August 2009, and a check was written to the woman in that amount. While ALBACK was entitled to a share of that settlement, unbeknownst to the client, on September 29, 2009, ALBACK forged her name and deposited the \$12,500 into his accounts and used it for his own personal benefit. The client received a check for her settlement in October 2009, but it bounced. She has not received any money that was paid for her wrongful termination lawsuit.

The investigation was conducted by the U.S. Secret Service from a referral by the U.S. Bankruptcy Trustee's Office.

VICTOR RAUL ANDIA

On July 1, 2010, VICTOR RAUL ANDIA, a 25-year-old citizen of Peru, was sentenced to a term of:

- Prison: 14 months

- Special Assessment: \$200
- Restitution: to be determined within 90 days
- Supervised Release: 3 years

ANDIA was sentenced in connection with his guilty plea to conspiracy to pass counterfeit money.

In an Offer of Proof filed by Assistant U.S. Attorney Ryan M. Archer, the government stated it would have proved at trial the following:

On March 6 -7, 2009, merchants in the Billings area began receiving numerous counterfeit \$100 bills. On March 7-8, 2009, merchants in the Great Falls area began receiving the same kind of \$100 bills. These counterfeit notes contain different serial numbers, but had common identifiers such as a face plate number G-24 and a back plate number 29. All the notes were a 1999 series.

Further analysis conducted by the United States Secret Service indicated that these particular counterfeit notes are known as "circular 22705" or "C-22705." The Secret Service has tracked this counterfeit note since 2003 and it is known to be in a "family" of counterfeit notes manufactured in Peru. According to Secret Service statistics, these Peruvian notes have constituted \$7.8 million dollars circulated across the United States in the past year. In addition, \$446,280 in fake U.S. currency from Peru was seized before it was circulated in the United States (mostly at ports or airports), and more than \$18.2 million in raids in Peru.

Since 2008, the C-22705 has consistently ranked in the top 3 of most circulating counterfeit notes in the country and is only surpassed by additional notes of the same Peruvian Note Family. Approximately \$25,000 - \$50,000 of the C-22705 is consistently passed every week in the United States.

Several merchants who received these counterfeit notes in Billings and Great Falls provided surveillance photographs of the counterfeit passes. These photos depict two Hispanic males passing the counterfeit \$100 bills. An agent contacted a motel in Billings and discovered that a Hispanic male stayed there the night of March 6 and listed one other adult as staying in the room. The receipt showed that ANDIA checked into the motel, listing his address in Reseda, California. A criminal history check revealed that ANDIA was arrested in February 2009 for reckless driving in Oregon. Reports indicated that ANDIA was the driver and S.P. was ANDIA's passenger during that incident.

The agent received driver's license photographs for ANDIA and S.P. Comparing these photographs to the surveillance images of counterfeit passes in Great Falls and Billings clearly illustrates that ANDIA and S.P. were the individuals passing counterfeit notes. A photo lineup was shown to an employee at store on Grand Avenue in Billings where one of the counterfeit notes was passed. The employee positively identified S.P. as the

individual who passed the counterfeit note. Additional surveillance images show individuals that appear to be ANDIA and S.P. making passes at various locations in Billings and Great Falls.

Additional on-going investigation has revealed that ANDIA is associated with a group primarily responsible for circulating the C-22705 counterfeit note throughout the western United States. Recent arrests in the summer of 2009 garnered statements from other individuals. One statement identified ANDIA as providing \$6,000 in additional counterfeit with an agreement that proceeds be split 50-50.

In all, ANDIA and S.P. passed over \$12,000 in Montana in the course of a few days. Further investigation revealed that between January 2009 and March 13, 2009, there were 177 passes in Washington and 2 in the state of Oregon for this same C-22705 note.

The investigation was conducted by the U.S. Secret Service.

COURTNEY MARIE BATEY

On December 2, 2010, COURTNEY MARIE BATEY, a 31-year-old resident of Forsyth, was sentenced to a term of:

- Prison: 12 months and 1 day
- Special Assessment: \$100
- Restitution: \$84,040
- Supervised Release: 3 years

BATEY was sentenced in connection with her guilty plea to bank embezzlement.

In an Offer of Proof filed by Assistant U.S. Attorney Ryan M. Archer, the government stated it would have proved at trial the following:

From August 26, 2003, through July 3, 2009, BATEY worked for the Wells Fargo Bank in Forsyth. In 2009 she was a teller/service manager. She supervised approximately four employees, handled teller functions, and assisted with audit controls at the bank.

On June 24, 2009, a bank customer complained that she was shorted \$5,000 when she redeemed two CDs. The \$5,000 was taken out in a cash withdrawal from the proceeds of the CD. When the customer reported the missing funds, BATEY's activity with the account was scrutinized. BATEY's personal accounts showed \$10,000 in cash deposits that were not consistent with her earnings and financial means. Additional investigation revealed that another bank customer BATEY worked with was missing thousands of dollars from her accounts – much of which consisted of cash-back withdrawals when CDs were redeemed.

When Wells Fargo questioned BATEY about the missing funds, she confessed to stealing the \$5,000, and further confessed to stealing money from the other bank customer for the last year and a half. BATEY was later interviewed by the FBI and she stated that from October 2007 through June 2009 she stole cash out of her teller drawer. She would then replace the money in her teller drawer with funds she took from customer accounts. Additional records demonstrate that BATEY embezzled approximately \$84,000 from Wells Fargo Bank.

The investigation was conducted by the Federal Bureau of Investigation.

LAURA ANN BROWN

On March 11, 2010, LAURA ANN BROWN, a 42-year-old resident of Butte, was sentenced to a term of:

- Probation: 5 years
- Special Assessment: \$100
- Restitution: \$7,731.54
- Supervised Release: 5 years

BROWN was sentenced in connection with her guilty plea to labor union embezzlement.

In an Offer of Proof filed by Assistant U.S. Attorney Carl E. Rostad, the government stated it would have proved at trial the following:

BROWN worked full-time at Acadia, a mental health facility for children located in Butte, for approximately ten years. Teachers (AFT) Local 5095 has about 100 members who are patient case managers, therapists, mental health care workers, and administrative personnel at Acadia.

BROWN was the Local 5095 president for 4½ years. As president, BROWN handled contract negotiations, presided over membership meetings, and attended quarterly American Federation of Teachers (AFT) meetings in Helena. BROWN removed S.B. as Treasurer in 2005. Since that time, BROWN alone authorized, deposited, and disbursed union funds with no oversight from elected officers or members.

AFT Local 5095 is governed by its own constitution which BROWN wrote and signed on February 25, 2004. The local executive board consisted of the president, vice president, treasurer, and secretary. The treasurer is required to hold union funds, disburse them upon authorization, maintain records of all income and disbursements, and prepare financial reports for membership meetings. However, after BROWN removed S.B. as Treasurer in 2005, BROWN took on all the Treasurer duties herself.

Union income is derived from membership dues. The union has one checking account,

at the Glacier Bank in Butte, and all of the union's deposits and disbursements were transacted through this account. Only one signature is required on union checks. BROWN and S.B. were the only account signatories, although, as noted, S.B. was removed in 2005.

In 2006, the Montana Education Association-Montana Federation of Teachers (MEA-MFT) audited the local's 2004 and 2005 financial records because the local became delinquent in paying dues to AFT and MEA-MFT. The MEA-MFT concluded that local 5095 had a dues deficit of over \$6,000, which the intermediate body subsequently collected from the local. The audit also disclosed that BROWN converted over \$4,000 in local funds to her personal use by making inappropriate expenditures from the union account.

Through interviews with former and current officers, MEA-MFT's internal investigation, and the OLMS review of bank and union records, it was discovered that from December 31, 2004, to December 31, 2008, BROWN embezzled \$7,731.54 in union funds by converting them to her own personal use.

On May 5, 2009, BROWN was interviewed by a Department of Labor, Office of Labor and Management Standards investigator and admitted that she intentionally converted \$7,731.54 in union funds to her personal use by using EFT transfers from the union account to pay personal debts, writing union checks for her personal benefit, making cash withdrawals from the union account and converting the proceeds to personal use and benefit, and writing union checks to pay personal debts. BROWN explained that she embezzled the funds because she did not have the money of her own when she was faced with emergency situations.

AFT Local 5095 is a labor organization required to file annual financial reports with the Secretary of Labor. The union is required to identify all income and disbursements and any loss of union funds on its annual reports. The report that BROWN signed on June 29, 2008, reflects no receipts or disbursements for fiscal years ending December 31, 2007, and December 31, 2008, although the union had both received and disbursed funds during that period. BROWN also failed to report the loss of local union funds from her theft. Bank records show the union had \$4,565.30 in receipts and \$4,707.98 in disbursements during 2007, and it had \$1,520.33 in receipts and \$1,454.40 in disbursements during 2008.

During the investigation, BROWN claimed she did not intentionally file false reports when she reported zero for the union's 2007 and 2008 income and disbursements because all of the local's funds went to MEA-MFT. BROWN knew the union had received money, however, because she deposited dues checks she received from MEA-MFT and she wrote checks for union expenses.

The investigation was a cooperative effort between the U.S. Department of Labor and the Montana Education Association-Montana Federation of Teachers.

MICHAEL JAMES BURNS, JR.

On October 8, 2010, MICHAEL JAMES BURNS, JR., a 51-year-old resident of San Francisco, California, was sentenced to a term of:

- Prison: 87 months
- Special Assessment: \$100
- Restitution: \$445,532.45
- Supervised Release: 3 years

BURNS was sentenced in connection with his guilty plea to wire fraud/money laundering.

In an Offer of Proof filed by Assistant U.S. Attorney Ryan M. Archer, the government stated it would have proved at trial the following:

In the summer of 2008, BURNS initiated BMJ Capital in California to allegedly finance various business projects. In September 2008, BURNS met one of the owners of Strategic Land Company, LLC in San Francisco, California. The owner, hereafter referred to as "T.S.", was a partner and owner of Strategic Land Company, LLC (SLC) based in Lakeside. BURNS entered into negotiations with SLC and represented that he had over \$100 million in assets and was interested in funding a real estate development project in Lakeside.

On October 15, 2008, BURNS entered into a signed agreement with "T.S." and SLC, promising to make a \$25 million credit line available to complete the final phases of the land development project. SLC agreed to provide a 1% up front commitment fee of \$250,000. Under the agreement, this advance fee was fully refundable by October 29, 2008, if the parties had not finalized their financing documents. On October 17, 2008, "T.S." directed Glacier Bank of Kalispell to wire \$250,000 to BURNS' BMJ Capital bank account at Wachovia Bank in San Francisco, California.

On October 27, 2008, no credit had been extended and BURNS suggested altering the agreement where he would "buy into" the company.

In November 2008, SLC entered into the revised agreement after meeting with BURNS and his attorney in San Francisco. Under the new agreement, BURNS agreed to wire \$33 million into the SLC Glacier Bank account. From November through January 2009, BURNS emailed several excuses as to why the money was never sent. Ultimately BURNS ceased contact with SLC and never provided any financing.

BURNS' attorney had previously vouched for BURNS' \$100 million in assets, but later stated the document he relied on appeared as if it had or could be manipulated. One of BURNS' "employees" stated that it became clear that BURNS collected advance fees,

but never provided any of the promised financing. A financial analysis of the bank records shows that BMJ Capital collected hundreds of thousands of dollars from individuals and businesses between 2007 and 2008. At the time, BURNS was on parole for a similar offense in Hawaii.

The investigation was conducted by the Federal Bureau of Investigation.

SALVATORE RICHARD CACCAVALLO

On April 29, 2010, SALVATORE RICHARD CACCAVALLO, age 57, was sentenced to a term of:

- Prison: 87 months
- Special Assessment: \$300
- Forfeiture: laptop computer and printer
- Supervised Release: 3 years

CACCAVALLO was sentenced in connection with his guilty plea to wire fraud, aggravated identity theft and possession of stolen firearms.

In an Offer of Proof filed by Assistant U.S. Attorney Timothy J. Racicot, the government stated it would have proved at trial the following:

On September 17, 2007, CACCAVALLO applied for credit with the Matco Tools dealer in Bozeman. He used the name R.B.H. (name withheld to protect privacy) and R.B.H.'s social security number on the application and purchased approximately \$4,735 in tools. CACCAVALLO did not make any payments for the tools and instead pawned most of them in and around Bozeman. Matco Tools used wire communications (the telephone) in interstate commerce to process CACCAVALLO's credit application. The Matco dealer reported CACCAVALLO's conduct to the Bozeman Police Department and later identified a photo of CACCAVALLO as the person who represented himself to be R.B.H.

On October 17, 2008, the Missoula County Sheriff's Office received a report concerning a stolen firearm, a Remington .22-caliber rifle, Model 521-T, with no serial number. The victim of that theft told law enforcement that CACCAVALLO, who he knew as D.C., had recently rented a room from him. While CACCAVALLO was living with the victim, the victim noticed that his .22-caliber rifle was missing. CACCAVALLO denied taking the rifle, but the victim asked him to move out, which he did, and reported the theft to law enforcement.

On October 24, 2008, law enforcement contacted CACCAVALLO at a bar in Missoula. He initially identified himself as D.C., but later admitted that he was CACCAVALLO. He admitted using false identities and making false documents in the names of those

identities, including the name D.C. He initially denied stealing the rifle referenced above, but later told the interviewing officer that he should look at a Missoula pawn shop if he wanted to find the gun. CACCAVALLO admitted that he stole the rifle and said he asked another man to pawn the rifle for him. The rifle was located at the pawn shop described by CACCAVALLO.

The investigation was a cooperative effort between U.S. Immigration and Customs Enforcement, the U.S. Secret Service, and the Missoula County Sheriff's Office.

JEREMY CLARK-ERSKINE

On September 24, 2010, JEREMY CLARK-ERSKINE, a 36-year-old resident of Missoula and Indiana, was sentenced to a term of:

- Prison: 81 months
- Special Assessment: \$400
- Restitution: \$49,118.95
- Supervised Release: 3 years

CLARK-ERSKINE was sentenced in connection with his guilty plea to forgery of a signature of a United States judge, false personation of a Social Security number, interstate transportation of a stolen vehicle, and aggravated identity theft.

In an Offer of Proof filed by Assistant U.S. Attorney Bryan R. Whittaker, the government stated it would have proved at trial the following:

On August 11, 2009, CLARK-ERSKINE presented himself at the Montana Motor Vehicle Division in Missoula to obtain a Montana driver's license in the name of Angus Jocko Ferguson. On the form, CLARK-ERSKINE falsely represented a social security account number as his own which he knew belonged to another individual.

On September 6, 2009, presenting himself as a Captain in the United States Army, CLARK-ERSKINE, attempted to gain entry onto Malmstrom Air Force Base in Great Falls. At the time, CLARK-ERSKINE was driving a vehicle which had been reported stolen by Enterprise Rent-A-Car out of Chicago, Illinois.

Pursuant to a federal search warrant, law enforcement searched the car and recovered numerous fraudulent documents. Two of the documents included an "Entry" and "Judgment" purporting to be from the United States District Court, Southern District of Indiana. The documents bore a false case number and both documents contained the forged signature of the Chief Judge of the Southern District of Indiana. CLARK-ERSKINE had forged the signature on the documents for the purpose of authenticating them to use to obtain a new social security number for "Angus Jocko Ferguson" to replace the original (and now compromised) number issued to him under the name Michael Bruce Lafferty, later changed to Finn J. UiNeill in an attempt to protect his

identity.

From September 9, 2009, to January 6, 2010, CLARK-ERSKINE unlawfully transported from one state to another a stolen 2010 Ford Mustang. He rented the vehicle on September 9, 2009, from Hertz Rental Car in Missoula with a rental agreement contract which only covered a one-day rental. He did not return the vehicle on September 10, 2009, but instead drove it from Montana to California. On January 6, 2010, the vehicle was recovered from CLARK-ERSKINE in Culver City, California. The original Montana license plates on the vehicle had been replaced with stolen Washington state license plates.

The investigation was conducted by the Federal Bureau of Investigation.

DELMAS DINGESS

On April 29, 2010, DELMAS DINGESS, a 25-year-old resident of Great Falls, was sentenced to a term of:

- Prison: 10 months
- Special Assessment: \$100
- Restitution: \$48,109.45
- Supervised Release: 3 years

DINGESS was sentenced in connection with his guilty plea to theft of government property.

In an Offer of Proof filed by Assistant U.S. Attorney Jessica T. Fehr, the government stated it would have proved at trial the following:

From December 29, 2006, until March 6, 2007, DINGESS was a Senior Airman, rank of E-4, in the United States Air Force (USAF). DINGESS was stationed at Malmstrom Air Force Base in Great Falls. As part of his military duties, DINGESS was assigned to his unit's equipment locker. DINGESS was responsible for receiving inventory for the unit and disbursing equipment out to the field. Because of his position, DINGESS was able to steal items from his USAF unit's inventory without authorization and without being discovered. DINGESS sold the items he had stolen from the USAF on the commercial website, eBay, utilizing the payment service, Paypal.

The majority of the items DINGESS stole from the USAF were small items like flood lenses, compasses and head/helmet mounts for equipment. Along with all the smaller items, DINGESS stole and sold Night Vision Goggles (NVG), NVG head mounts, and a Vital 2 Laser Aiming System. The larger items have been recovered by law enforcement after being identified as USAF equipment based on their serial numbers.

DINGESS was interviewed by law enforcement regarding the items missing from his

unit's inventory. DINGESS confessed to stealing and reselling \$42,222.32 worth of USAF equipment. DINGESS' confession was corroborated by the items identified as missing by the USAF and the eBay and Paypal records documenting DINGESS' sales, all of which were obtained during the investigation.

The investigation was conducted by U.S. Immigration and Customs Enforcement.

BEN ALAN DIVELEY

On September 24, 2010, BEN ALAN DIVELEY, a 34-year-old resident of Helena, was sentenced to a term of:

- Prison: 12 months and 1 day
- Special Assessment: \$300
- Restitution: \$88,818.49
- Supervised Release: 5 years

DIVELEY was sentenced in connection with his guilty plea to credit union embezzlement, money laundering and identity theft.

In an Offer of Proof filed by Assistant U.S. Attorney Carl E. Rostad, the government stated it would have proved at trial the following:

On April 29, 2010, the Helena Community Credit Union (HCCU) discovered that one of their loan officers, DIVELEY, had conducted questionable financial transactions. Upon further inquiry, the HCCU determined that DIVELEY had embezzled at least \$76,962 from the Credit Union.

DIVELEY had been employed as a loan officer for the HCCU for five years. During his employment, he had applied for and been approved for a line of credit from which he was allowed to make withdrawals anytime he wished up to the amount of the credit line. An auditor had discovered in April of 2010 that DIVELEY had written himself a check off this line of credit. It was contrary to HCCU policy to conduct the withdrawal directly; any such draw on the line of credit must be made by and through another credit union representative. HCCU employs software safeguards to block employees from being able to conduct such transactions on their own loan accounts. When such a transaction is attempted, the employee sees a screen on their computer telling them that they are not allowed to do the transaction they are attempting. However, when a check was found to have been written by DIVELEY, to himself, the credit union discovered that DIVELEY had circumvented the security software by using a co-worker's computer to alter the computer blocks to allow him to issue the check to himself. When the HCCU discovered how this had happened, DIVELEY was confronted, confessed, and was terminated.

After DIVELEY's departure, a box of documents was found in his office. In examining

some of these documents, the HCCU officers discovered two loans files that appeared suspicious. In looking at these loans it appeared that the funds from at least one of these loans had been deposited in an account belonging to or controlled by DIVELEY.

As HCCU officers attempted to confirm information from the loans, they found names, dates of birth, and social security account numbers that did not correlate to borrower identification. A closer audit found one of the loans had been made for \$50,000 in the name of an individual, identified here as "Z.P.", had been "secured" with a Certificate of Deposit belonging to another member. A Helena address used on the loan. The \$50,000 had been deposited into an "L8, Secured Shares" account belonging to "Z.P." that had been opened on the same day, September 15, 2009. The money was then transferred that same day from the "Z.P." account to a second savings account belonging to an individual identified here as "B.A.", a savings account opened on September 9, 2009.

On September 21st and September 23rd, 2009, these same funds were then transferred to a regular checking account belonging to "B.A.", and then by on-line bill payment to Target National Bank, Sears, Macys, Chase, and Bank of America on accounts related to DIVELEY. These payments took place between September 22nd and September 24th and totaled \$49,915.99, with the largest payment going to Bank of America for \$31,924.76 on September 24th.

The second loan was found to have been made in the amount of \$25,000 in the name of "B.A." and was deposited into the "B.A." account. This loan was originated on January 12, 2010. This loan was also secured by the same CD belonging to the HCCU member that was used to secure the "Z.P." loan. In following the money from this loan, it was found that the funds were transferred to DIVELEY's own personal checking account in three transactions: \$7,500 on January 13, 2010, \$8,500 on January 14, 2010 and \$9,000 on January 15, 2010. From DIVELEY's account the funds were transferred to various on-line payments, checks and loan payments between January 14th and January 29th in a total amount of \$25,347.92. They also noted that this loan also had the same address as the "Z.P." loan.

In addition to the two fraudulent loans, HCCU determined that DIVELEY had misdirected a number of "loan origination fees" and "loan payoff fees" to his own account. Initially, HCCU found seven transactions when the diversion had taken place for a total of \$1,962. The fees, under HCCU policies in place at the time, were to have been waived for their customers.

DIVELEY had been making payments on the "Z.P." and "B.A." loans at the time of their discovery.

The Helena Police Department began researching the information on the two loans to determine if the "Z.P." and "B.A." information related to real individuals or was completely fabricated. HPD determined that the Lode Street address did not exist.

HPD could find no record of either “Z.P.” and “B.A.” in Helena or statewide that had the dates of birth or social security account numbers listed on the two loan documents.

HPD did determine that the social security number on the “B.A.” loan was assigned to a woman in Ohio, but that DIVELEY would not likely have had access to her account number, and therefore concluded that when DIVELEY created the number for the loan its match to a legitimate account number was merely coincidental.

The HCCU customer whose Certificate of Deposit was used to secure the two fraudulent loans was interviewed. He advised that he did not know anyone by the names “Z.P.” or “B.A.” and that he had never authorized anyone to use his CD as collateral for any loans. He stated that a person whose name was “Ben,” at HCCU, was his “go-to guy at the credit union,” and that he had recently obtained a car loan through Ben. The customer indicated that the loan would have been taken out around January 11th or 12th, a date that corresponds to the “B.A.” loan.

When interviewed, DIVELEY admitted that he had made the two fraudulent loans and forged the HCCU customer’s signature to those loans in order to use his CD as collateral. He had advised that the “Z.P.” and “B.A.” names and identifying information had been made up and that the money had been used to pay off bills he had acquired in overspending. DIVELEY was not specifically asked by HCCU about the diversion of loan fees but denied that he had done anything other than the two fraudulent loans.

The investigation was a cooperative effort between the Federal Bureau of Investigation and the Criminal Investigation Division of the Internal Revenue Service.

KELLY L. FOX

On June 4, 2010, KELLY L. FOX, a 44-year-old resident of Kalispell, was sentenced to a term of:

- Home Arrest: 12 months
- Special Assessment: \$100
- Restitution: \$70,473.38
- Supervised Release: 5 years

FOX was sentenced in connection with her guilty plea to embezzlement by a bank employee.

In an Offer of Proof filed by Assistant U.S. Attorney Tara J. Elliott, the government stated it would have proved at trial the following:

Mountain West Bank is a federally insured bank. From approximately March 2007 until December 2007, FOX, an employee of Mountain West Bank, defrauded the bank in the amount of \$61,700. FOX would remove cash from the bank vault and create false

cash-out tickets in order to manipulate the daily cash counts. FOX would then enter the manipulated cash counts into the bank's accounting system. FOX was solely responsible for ensuring that the actual amount of cash in the vault reconciled with the general ledger at the end of each day.

The investigation was conducted by the Federal Bureau of Investigation.

RODOLFO GUTIERREZ, JR.

On August 13, 2010, RODOLFO GUTIERREZ, JR., age 50, formerly of Billings, was sentenced to a term of:

- Prison: 84 months
- Special Assessment: \$100
- Restitution: to be determined within 90 days
- Supervised Release: 5 years

GUTIERREZ was sentenced in connection with his guilty plea to bank fraud.

In an Offer of Proof filed by Assistant U.S. Attorney Michael S. Lahr, the government stated it would have proved at trial the following:

GUTIERREZ was the majority owner of Incredible Auto Sales, LLC ("IAS"). IAS sold new and used vehicles, doing business under the names "New Beginnings" and "Incredible Kia," in Billings. IAS had an inventory flooring loan agreement with Hyundai Motor Finance Company ("HMFC").

Net-Works Ad Agency, Inc. ("Net-Works") was the personal corporation of GUTIERREZ and his wife. On May 19, 2005, GUTIERREZ and his wife, on behalf of Net-Works, entered into an inventory flooring loan agreement ("Loan Agreement") with Little Horn State Bank ("LHSB").

GUTIERREZ had employees sell vehicles which had been floored with LHSB, and not timely repay LHSB, causing Net-Works to be "out-of-trust" with LHSB. GUTIERREZ directed employees to provide false information during inventories conducted by LHSB, to deceive LHSB into concluding that repayment was not late.

Beginning on August 29, 2005, GUTIERREZ had employees double floor vehicles. The last double floor ended in November of 2006. The vehicles were floored with LHSB and with HMFC at the same time. In addition, GUTIERREZ had employees floor vehicles with LHSB that had been received on trade-in and which had liens against them from previous loans.

GUTIERREZ also had employees floor vehicles with LHSB which were not owned by Net Works or IAS because they had already been sold to customers or were owned by

another entity.

The investigation was conducted by the Federal Bureau of Investigation.

RICHARD KELLY HANNUM

On July 6, 2010, RICHARD KELLY HANNUM, a 40-year-old resident of Butte, was sentenced to a term of:

- Probation: 5 years
- Special Assessment: \$100
- Restitution: \$29,632.86

HANNUM was sentenced in connection with his guilty plea to theft of federal government monies by fraud.

In an Offer of Proof filed by Assistant U.S. Attorney Carl E. Rostad, the government stated it would have proved at trial the following:

HANNUM was a Lead Transportation Security Officer (LTSO) for the Transportation Security Administration who worked at the Gallatin Field Airport in Belgrade. HANNUM alleged that he had suffered an injury to his back on December 29, 2005, while working in luggage inspection at the airport.

HANNUM filed a Claim for Compensation on April 15, 2006, alleging that he was disabled and unable to return to work. HANNUM's initial claim was denied in August of 2006 because of insufficient proof that his medical condition was connected to employment.

On November 28, 2006, the initial denial was reversed by the Employees Compensation Appeals Board, and the claim approved.

On December 1, 2006, HANNUM returned to work but left early claiming he could not perform the job.

From September 30, 2007, to October 19, 2007, HANNUM returned to work for a total of 10 days, but notified management on his last day of work that he was unable to perform his duties.

On February 20, 2008, HANNUM was cleared to work but he did not report.

On June 13, 2008, HANNUM was separated from TSA on an official disability retirement.

According to a number of doctor's reports, HANNUM could have returned to work, at

least performing light duty. He was offered opportunities to return to work on three separate occasions. On the first, he returned for one day. On the second, he returned for 10 days. On the third, he was offered a split shift in Butte, totaling four hours per day, but declined the offer. On each occasion, he claimed he was unable to return to work due to medical issues. Under the terms of the Workers Compensation Program benefits agreement, HANNUM was required to advise his supervisor of any improvement in his medical condition.

HANNUM's periodic claims represented that he was not able to sit or stand for meaningful periods and that these restrictions prohibited him from returning to work, even for the light duty assignments he had been offered. HANNUM continued to see physicians who in turn would document his medical disability, although sometimes advising that he could return to work with restrictions. As late as March 2, 2009, one of HANNUM's physicians, based upon examination and the representations made to him by HANNUM, determined that "the effects of the work injury have not ceased at this time and recovery is unlikely."

In March 2008, one of HANNUM's physicians saw HANNUM walking normally in a shopping mall in Butte. When HANNUM noticed the physician, he began to walk with "difficulty."

Investigators from TSA's Office of Inspection conducted surveillance on HANNUM on two occasions: November 13-17, 2008, and February 6-9, 2009. During the surveillance activities, HANNUM and his vehicle were identified at several locations in and around Butte, Cardwell and Helena; all locations substantial distances from his home in Butte, and typically requiring approximately at least a one-hour drive each way. At no time did agents observe HANNUM displaying any signs of physical injury and, in fact, he walked and performed movements consistent with an individual with no physical injury. HANNUM was observed at various locations and was absent from his residence and driving for four hours or more on several occasions.

Montana Fish, Wildlife, and Parks provided evidence that HANNUM had obtained fishing and big game hunting licenses for the years 2006/2007 and 2008/2009; the period HANNUM claimed he was unable to return to work.

On March 5, 2009, investigators interviewed HANNUM regarding his OWCP claim. Regarding if he was able to return to work, HANNUM stated he could only stand or sit for twenty minutes and would not be able to work any assignments at the airport. HANNUM then stated that he had been bedridden for the past two years and didn't even hunt or fish anymore. HANNUM then provided a two page, sworn, written statement covering the above information he provided.

HANNUM was then advised that he had been under surveillance for the past several months and was observed driving, walking, and sitting for long periods of time and displayed no signs that he was favoring an injury. He was advised that the Montana

Fish, Wildlife and Parks had provided copies of his hunting and fishing licenses for the years 2006-2008.

HANNUM then was given the opportunity and elected to correct the record.

HANNUM confessed that he had not been as forthcoming as he should have been with his doctors regarding his recovery. Although he did suffer an injury handling luggage, he admitted he had exaggerated his condition when describing it to his doctors. "I have led my doctors to believe that my pain and suffering is more severe than it really was." He stated that his condition improved "significantly" in the last twelve months. He then stated that he should have notified TSA, DOL, and his doctors that his condition had improved. He stated he has fished and driven overnight to visit his wife, and is capable of driving several hours.

Regarding the three jobs offers TSA proposed to him which he declined, HANNUM stated he was not capable of returning to work in December 2006, but may have been able to return to work as early as September 2007. He stated he was physically able to return to work in Butte in February 2008, when he was offered an opportunity by TSA, but declined. Regarding his latest visit to one of his physicians, on March 2, 2009, he stated he exaggerated the severity of his condition to him.

HANNUM provided two additional sworn, written statements; the second covering the fact that he was not forthcoming to his doctors about the severity of his injury and his recovery, and in the third, his ability to return to work and his exaggerated claims of disability to his physician on March 2, 2009.

From February 20, 2008 (3rd offer for re-employment) through February 2009, HANNUM collected \$29,632.86 in Workers Compensation Benefits from Homeland Security and the Department of Labor.

The investigation was conducted by the Transportation Safety Administration - Office of Inspector General.

JUDIE LYNN HOFFMAN

On November 4, 2010, JUDIE LYNN HOFFMAN, a 51-year-old resident of Richey, was sentenced to a term of:

- Probation: 2 years
- Special Assessment: \$200
- Fine: \$1,000

HOFFMAN was sentenced in connection with her guilty plea to theft of government money and willful acts affecting a personal financial interest.

In an Offer of Proof filed by Assistant U.S. Attorney Carl E. Rostad, the government stated it would have proved at trial the following:

In 2009, HOFFMAN was a Program Technician for the Farm Service Agency (FSA) in Glendive (Dawson County FSA Office).

Between September 17, 2009, and October 1, 2009, while employed with FSA, HOFFMAN destroyed a relevant portion of a Request for Loan Deficiency Payment Agreement (CCC-633 EZ) submitted by her producer husband in order to increase their USDA durum wheat deficiency payment. As a result, the HOFFMANS' farming corporation received a total of \$14,680 in federal funds to which it was not entitled.

HOFFMAN admitted that she destroyed five or six CCC-633 EZ forms for JH Farms Incorporated, the family farming operation, so they would receive a higher loan deficiency payment (LDP). When a producer submits the CCC-633 EZ form, the date of the submission, or filing date, sets the rate of, or "locks-in," the federal deficiency payment based upon the market on that day.

On September 17, 2009, a fellow FSA employee overheard HOFFMAN on the telephone with her husband, discussing how to send a fax from their home. Shortly thereafter, the employee observed that Page No. 2 of CCC-633 EZ for JH Farms, Inc. arrived on the FSA fax machine. Item No. 24, the LDP Rate, on the form was blank, but the employee had looked up the county price for durum for that day and saw that it was \$3.98. Since the rate is "locked in" when the form is submitted, JH Farms, Inc. was locked in at the LDP rate of \$0.55 a bushel for his durum.

The employee had not removed the LDP request from the fax machine. A short time later, a Natural Resource Conservation Service (NRCS) employee brought the form to the FSA office and asked who it belonged to. HOFFMAN told the NRCS employee that it belonged to her.

The following week, a producer and friend of HOFFMAN's husband, asked HOFFMAN if her husband had locked in his durum rate yet. HOFFMAN said "No." After hearing that, the FSA employee referred to above became suspicious as she knew she had seen the LDP request on the fax machine. After work, she looked on HOFFMAN's desk and could not find the CCC-633 EZ for JH Farms, Inc. Around the last week of September 2009, HOFFMAN's husband was in the FSA office, and was asked if he had locked into the LDP rate. He said "No."

On October 1, 2009, the FSA employee again overheard HOFFMAN on the telephone. HOFFMAN made a comment to the effect that she would go down to the fax machine and get it. The other FSA employee hurried to the fax machine and saw Page No. 2 of a CCC-633 EZ for JH Farms, Inc. arrive on the fax machine with the LDP rate blank. The date appeared to have been altered. The FSA employee knew the county price for the day was \$2.98, which locked in the LDP rate at \$1.55 per bushel, \$1 a bushel

higher than on September 17, 2009. The employee left the form on the fax.

On October 6, 2009, the FSA employee reported the incident to the County Executive Director (CED). The CED found several LDP request folders in his "in" basket for several producers, including HOFFMAN's husband. The CED placed a sticky-note on the JH Farms file that read, "needs DD approval." The CCC-633 EZ (Exhibit 2) date stamped October 1, 2009, showed the county price/LDP rate as \$2.98/\$1.55.

On the morning of October 7, 2009, HOFFMAN entered the CED's office and picked up the LDP files, and as soon as she saw "needs DD approval" on the JH Farms folder she quickly placed all the files back in his box, making some comment that she could not find what she was looking for. The CED later discovered that HOFFMAN had already dispersed the JH Farms LDP payment. FSA policy states that the CED approves the LDP requests prior to money dispersal.

On October 9, 2009, the CED and the District Director for FSA, confronted HOFFMAN. They explained that another FSA employee had seen and observed HOFFMAN's actions with regard to the two forms. A copy of the FSA fax log showing that a fax had been sent from HOFFMAN's fax number on the evening of September 16, 2009, and asked her what had been faxed to the FSA office. HOFFMAN denied any knowledge. The DD expressed her concern that Page No. 2 of HOFFMAN's husband's CCC-663EZ received by FSA on October 1, 2009, was his second request and that it had originally been received on the fax machine by FSA on the morning of September 17, 2009. Again, HOFFMAN indicated that she had no idea what they were talking about.

The DD reminded HOFFMAN of the conflict of interest rules in the personnel manual, that HOFFMAN was not authorized to work on her husband's program files, and that it was to immediately cease. HOFFMAN indicated that she had seen and was aware of the conflict of interest policy. HOFFMAN later entered her office, shut the door, and told her that she shredded the first LDP request. HOFFMAN told her that she and her husband had a new fax machine, and that her husband had told her that he faxed it, but the fax machine gave him an error message, so when she never found it on her desk, she thought it had never come through on the fax. HOFFMAN told the DD that she processed the new CCC-633 EZ request faxed on October 1, 2009, and then found the first request from September 17, 2009, and shredded it.

During the investigation, investigators retrieved the HOFFMAN's FAX transmittal log and discovered that they had successfully faxed nine documents to FSA between September 15, 2009, and October 1, 2009. HOFFMAN then admitted, and provided a handwritten voluntary statement, that on September 17, 2009, as well as on four or five other occasions, that she destroyed Page No. 2 of a CCC-633 EZ for JH Farms, Inc., that her husband had faxed to FSA. HOFFMAN was not sure why she destroyed the first fax but admitted to destroying the other four or five faxed CCC-633 EZ forms because she knew she could get a better price for her husband. HOFFMAN acknowledged that she knew the conflict of interest policy that stated employees are

not to participate in government matters when family members are involved. She previously processed her husband's payment because she believed she wasn't doing anything wrong and claimed the incident was her first violation.

HOFFMAN said that her husband faxed the CCC-633 EZ forms at night, and in the morning she destroyed the fax she received after she determined the LDP rate was higher for the day. HOFFMAN claimed that she told her husband that the faxes were not coming through to the FSA office.

The investigation was conducted by the U.S. Department of Agriculture - Office of Inspector General.

HAROLD RICHARD HOFMANN

On May 6, 2010, HAROLD RICHARD HOFMANN, a 58-year-old resident of Laurel, was sentenced to a term of:

- Prison: 12 months and 1 day
- Special Assessment: \$100
- Restitution: \$124,309
- Supervised Release: 3 years

HOFMANN was sentenced in connection with his guilty plea to Social Security fraud.

In an Offer of Proof filed by Assistant U.S. Attorney Jessica T. Fehr, the government stated it would have proved at trial the following:

HOFMANN applied for Social Security Administration (SSA) disability payments for the first time in 1985. On his original application HOFMANN claimed he was unable to work due to a back injury. In 1986, HOFMANN was granted disability benefits. The SSA reviewed HOFMANN'S disability claim several times. In 1989, HOFMANN reported to the SSA that he was unable to return to work.

In the late 1990s HOFMANN began to report earnings from various employers, including Triple-L-Trucking. For the majority of the years earnings were reported for HOFMANN between 1989 and 1998, the earnings were less than \$10,000 per year. Disability benefits are not affected by yearly income under \$10,000. In 1999, HOFMANN reported earning \$25,292. The increase in HOFMANN'S reported earnings triggered a review by the SSA of his "work activity." The SSA allows disability recipients to have a trial work period to see if they are in fact able to be gainfully employed. The SSA began to review HOFMANN'S claim to determine if he had exhausted his trial work period.

In September of 2004, the SSA sent HOFMANN a work activity report and a pamphlet detailing the agency's rules for people who work while receiving disability benefits. At

the same time, the SSA sent earnings inquiries to two of HOFMANN'S known employers. Both companies were known rural postal contract route carriers. Rural postal contract route carriers bid for contracts with the United States Postal Service (USPS) and deliver the mail to rural communities that do not have regular USPS mail personnel. HOFMANN never returned the work activity report.

On July 12, 2005, SSA sent HOFMANN another work activity report and pamphlet detailing SSA rules for beneficiaries that return to work. HOFMANN did not return the second work activity report.

On August 8, 2005, a SSA representative spoke telephonically with HOFMANN regarding his failure to return either of the work activity reports sent by the SSA. During the conversation HOFMANN told the SSA representative that he felt he had already provided all of the information the SSA needed. The SSA representative went on to question HOFMANN about his earnings. HOFMANN could remember very little about his earnings and attempted to avoid discussing his work activity with the representative.

In approximately 2006, the United States Postal Service, Office of Inspector General was contacted by the SSA. Contract drivers for the USPS are required to maintain Daily Log Reports. The reports contain the date, route and driver information for each contract. The reports for all of the routes HOFMANN was associated with in 2006 and 2007 were reviewed by investigators. The review demonstrated that HOFMANN drove one specific route approximately 277 days in 2006. There were no earnings reported to the Montana Department of Labor or the SSA for HOFMANN in 2006. The USPS log reports also demonstrated that HOFMANN worked consistently throughout 2007 on various contract routes.

Additional interviews demonstrated that HOFMANN worked for Manning International consistently from 2002 until 2007. The president of Manning International told investigators that HOFMANN asked to be paid "under the table" to avoid losing his SSA benefits. The president of Manning International admitted he knew it was wrong to pay HOFMANN "under the table." Interviews with other employers of HOFMANN also reported that HOFMANN requested to be paid in cash.

On September 3, 2008, HOFMANN was interviewed by investigators. HOFMANN admitted he worked full-time and received cash payments for years while receiving SSA disability benefits. HOFMANN explained he had gotten greedy and approached several former employees, requesting that he be compensated under the table. HOFMANN also admitted he ignored requests from the SSA and was evasive when agency personnel questioned him about his work activity. HOFMANN provided a written statement to investigators.

A representative from the SSA used HOFMANN'S work activity and earnings to determine that HOFMANN'S benefits should have ceased in August 2002. HOFMANN continued receiving benefits through January 2008. HOFMANN was paid a total of

\$77,198 from 2002 to 2008. HOFMANN'S daughter was also receiving benefits as an auxiliary claim to his disability claim from September 2002 and June 2007. HOFMANN'S daughter's payments also would have ceased when his claim ceased. HOFMANN'S daughter received a total of \$39,446 to which she was not entitled. The total restitution owed to the SSA is \$124,309.

The investigation was a cooperative effort between the U.S. Postal Service - Office of Inspector General and the Social Security Administration - Office of Inspector General.

**ALEKSANDRS HOHOLKO, JEVGENIJS KUZMENKO, and VITALIJS DROZDOVS
(HOHOLKO, KUZMENKO & DROZDOVS)**

On June 10, 2010, ALEKSANDRS HOHOLKO, age 30, JEVGENIJS KUZMENKO, age 26, and VITALIJS DROZDOVS, age 33, residents of Riga, Latvia, were sentenced.

They were each sentenced as follows:

- Prison: Time Served (Defendants have been in the custody of Dutch and U.S. officials since February 2008.)
- Restitution: \$1,515
- Supervised Release: None (Defendants to be transferred to the custody of the Department of Homeland Security for deportation.)

In addition to the above restitution, DROZDOVS was also order to pay an additional \$9,970, for a total of \$11,485.

They were sentenced in connection with their guilty pleas to receipt of extortion proceeds.

In an Offer of Proof filed by Assistant U.S. Attorneys Michael S. Lahr and Ryan M. Archer, the government stated it would have proved at trial the following:

Between December 20, 2007, and January 11, 2008, John Doe effected a series of unauthorized intrusions into the D.A. Davidson ("Davidson") computer system and stole personal and/or financial account information from thousands of customers. John Doe demanded \$80,000 in exchange for disclosing security vulnerabilities and destroying any confidential information stolen from Davidson's computer system.

The United States Secret Service ("USSS"), in conjunction with Davidson, negotiated with John Doe in an effort to determine his location and identity. From approximately February 8, 2008, to February 18, 2008, the USSS negotiated with John Doe for the delivery of money to the Netherlands through Western Union transfers. John Doe specifically identified Aleksandrs Hoholko ("HOHOLKO") and Jevgenijs Kuzmenko ("KUZMENKO") as the individuals to pick up the money.

John Doe designated KUZMENKO as the person who would pick up a Western Union transfer in the Netherlands on February 14, 2008. The transfer did not go through because there was a hold placed on it, and the value was not as much as it was supposed to be. On February 15, 2008, a second transfer was sent to the Netherlands and picked up by HOHOLKO. He received \$1,500 from Western Union in Eindhoven and provided his Latvian passport as identification.

On February 18, 2008, HOHOLKO attempted to pick up a second transfer in Eindhoven. Agents of the Netherlands High Tech Crime Unit observed HOHOLKO attempting to pick the money up and arrested him. Agents also arrested Vitalijs Drozdovs ("DROZDOVS") who drove HOHOLKO to the Western Union. Officers discovered a firearm and money transfer receipts in the vehicle. Dutch law enforcement then went to the apartment where DROZDOVS and HOHOLKO were staying and discovered KUZMENKO residing there as well. Agents recovered DROZDOVS' cell phone which had a text message on it referring to one of the Western Union transfers from Davidson to the Netherlands.

Each defendant made a statement to Dutch agents when they were questioned in the Netherlands. Each of them admitted picking up money, although they denied criminal involvement. HOHOLKO and KUZMENKO explained that "Vitaliy" would receive a text message with instructions on when and where to pick up money. They would then receive the money and give it back to Vitaliy. They said they did not know his last name. HOHOLKO said that he would sometimes give the money to someone on the street that he did not know. Both HOHOLKO and KUZMENKO said that they did not know who sent the messages or who received the money. KUZMENKO further claimed that he did not know who bought his ticket to the Netherlands and never knew HOHOLKO's last name because he was a comrade and "you do not ask a comrade for a last name."

DROZDOVS said that he received text messages with instructions to pick up money, but claimed he did not know who sent them. He said that once a week he would give the money to the driver of a bus from the Netherlands to Riga, Latvia. Upon giving it to the bus driver, DROZDOVS would write an 8-digit number on the envelope and then send that number to an associate. He said the bus driver would take 1% of the proceeds, and he claimed to not know who ultimately received the money.

After their arrest and a search of their vehicle and apartment, agents also discovered other hand written notes with Western Union wire transfer numbers, names, amounts, and countries of origin. Similar messages were found on a cell phone in DROZDOVS' possession.

The investigation was conducted by the U.S. Secret Service.

**ALBERTO LAGUNAS-SOTO, LORENZO SANTOS-FIGUEROA
and MAURICIO URQUIZA-FLORES
(LAGUNAS-SOTO, SANTOS-FIGUEROA & URQUIZA-FLORES)**

On July 7, 2010, LAGUNAS-SOTO, a 56-year-old citizen of Mexico, and LORENZO SANTOS-FIGUEROA, a 42-year-old resident of Santa Ana, California, and MAURICIO URQUIZA-FLORES, a 22-year-old resident of Lake Forest, California appeared for sentencing.

LAGUNAS-SOTO was sentenced to a term of:

- Prison: 33 months
- Special Assessment: \$100
- Restitution: to be determined within 90 days
- Forfeiture: \$8,398.01
- Supervised Release: 5 years

SANTOS-FIGUEROA was sentenced to a term of:

- Prison: 54 months
- Special Assessment: \$200
- Restitution: to be determined within 90 days
- Forfeiture: \$8,398.01
- Supervised Release: 5 years

URQUIZA-FLORES was sentenced to a term of:

- Prison: 40 months
- Special Assessment: \$200
- Restitution: to be determined within 90 days
- Forfeiture: \$8,398.01
- Supervised Release: 5 years

They were sentenced in connection with their guilty pleas to conspiracy to commit bank fraud and aggravated identity theft.

In an Offer of Proof filed by Assistant U.S. Attorney Bryan R. Whittaker, the government stated it would have proved at trial the following:

On May 06, 2009, a Montana Highway Patrol officer stopped a vehicle near Three Forks for speeding. There were five occupants in the car, including LAGUNAS-SOTO, SANTOS-FIGUEROA, and URQUIZA-FLORES.

During the traffic stop, one of the co-conspirators admitted to the officer that the occupants of the vehicle were engaged in an illegal check cashing scheme. A

subsequent search of the co-conspirator's person revealed an envelope in her underwear containing seventeen (17) stolen United States Treasury checks totaling \$27,922 and thirty (30) counterfeit California driver's licenses and identification cards.

Evidence would have been introduced at trial to show that beginning in April 2009, and continuing until May 6, 2009, at Billings, Butte, other parts of Montana and other places throughout the western United States, including California and Wyoming, LAGUNAS-SOTO, SANTOS-FIGUEROA, and URQUIZA-FLORES knowingly entered into an agreement to participate in a scheme and plan to obtain money from U.S. Bank intending to defraud the bank by knowingly making materially false statements.

As part of their scheme to commit bank fraud, they obtained stolen United States Treasury checks belonging to other persons. They also obtained counterfeit California driver's licenses and identification cards with names and addresses corresponding to the payee names and addresses on the stolen checks. Several of the driver's licenses and identification cards reflected the photographs of LAGUNAS-SOTO, SANTOS-FIGUEROA, and URQUIZA-FLORES.

Evidence would also have shown that they furthered their scheme by driving from southern California to Montana and Wyoming to negotiate the stolen U.S. Treasury checks at various U.S. Bank branches in exchange for cash. They entered U.S. bank branches and made false statements to bank employees by claiming to be the true payees of the checks. The checks presented to U.S. Bank contained the forged endorsements of the true payees. This scheme caused the financial institution to part with thousands of dollars and involved more than 50 victims.

The investigation was a cooperative effort between the Montana Highway Patrol and U.S. Immigration and Customs Enforcement.

MARISOL MEDINA-AVILES

On June 24, 2010, MARISOL MEDINA-AVILES, a 21-year-old resident of Los Angeles, California, was sentenced to a term of:

- Prison: 33 months
- Special Assessment: \$100
- Restitution: to be determined
- Supervised Release: 5 years

MEDINA-AVILES was sentenced in connection with his guilty plea to bank fraud and aggravated identity theft.

In an Offer of Proof filed by Assistant U.S. Attorney Bryan R. Whittaker, the government stated it would have proved at trial the following:

On May 06, 2009, the Montana Highway Patrol stopped a Ford Expedition near Three Forks for speeding. There were five occupants in the car, including MEDINA-AVILES. When questioned, MEDINA-AVILES admitted that the occupants of the vehicle were engaged in an illegal check cashing scheme. A subsequent body search of MEDINA-AVILES revealed an envelope in her underwear containing seventeen (17) stolen United States Treasury checks totaling \$27,922 and thirty (30) counterfeit California driver's licenses and identification cards.

Evidence would have been introduced at trial to show that from the beginning of April until May 6, 2009, at Billings and Butte, and other places throughout the western United States, including California and Wyoming, MEDINA-AVILES entered into an agreement with others to participate in a scheme and plan to obtain money from U.S. Bank by making false statements.

As part of their scheme to commit bank fraud, MEDINA-AVILES and other co-conspirators obtained stolen United States Treasury checks belonging to other persons. They also obtained counterfeit California driver's licenses and identification cards with names and addresses corresponding to the payee names and addresses on the stolen checks. The driver's licenses and identification cards reflected the photograph of MEDINA-AVILES and other co-conspirators. Some of the checks and false identifications were in MEDINA-AVILES' possession when she was arrested and had been given to her by a co-conspirator.

The evidence would have also shown that MEDINA-AVILES and her co-conspirators furthered their scheme by driving from southern California to Montana and Wyoming to negotiate the stolen U.S. Treasury checks at various U.S. Bank branches in exchange for cash. MEDINA-AVILES and other co-conspirators made false statements to U.S. Bank employees by claiming to be the true payees of the checks. The checks presented to U.S. Bank contained the forged endorsements of the true payees. Their scheme caused the financial institution to part with thousands of dollars and involved more than 50 victims.

Evidence would have shown that on May 6, 2009, MEDINA-AVILES possessed, used and transferred a means of identification of another individual (Fernando Arias) to cash a U.S. Treasury check at U.S. Bank in Butte. The name Fernando Arias was on the U.S. Treasury check which she and another co-conspirator negotiated to U.S. Bank for \$2,936 cash by claiming to be the true Fernando Arias. The means of identification furthered their scheme to commit bank fraud and the overall conspiracy. The money received from this and other checks were then given to another co-conspirator to be distributed among the members of the conspiracy.

The investigation was a cooperative effort between the Montana Highway Patrol and U.S. Immigration and Customs Enforcement.

KIMBERLY JEAN PALMER

On May 6, 2010, KIMBERLY JEAN PALMER, a 50-year-old resident of Gresham, Oregon, formerly of Helena, was sentenced to a term of:

- Prison: 48 months
- Special Assessment: \$200
- Restitution: \$143,909.20
- Supervised Release: 5 years

PALMER was sentenced in connection with her guilty plea to wire fraud and bank fraud.

In an Offer of Proof filed by Assistant U.S. Attorney Carl E. Rostad, the government stated it would have proved at trial the following:

PALMER, then known as Kimberly Deford, was employed as the Office Manager at Valley Metal Buildings in Helena from January 2006 through February 2009. During PALMER's tenure at Valley Metal Buildings, she was responsible for bookkeeping, purchasing, inventory, and handling all accounts payable, accounts receivable, and payroll.

On February 7, 2009, the daughter of the owner of Valley Metal Buildings identified ripped up credit card receipts in one of the office's waste baskets. Also found in the garbage were a number of ripped check stubs and credit card statements. Some of the credit card statements had been cut and pasted together to other statements to cover up what appeared to be personal related charges. The Valley Metal Buildings owner subsequently reviewed some of the credit card statements and noted numerous unauthorized charges on them.

On February 9, 2009, the owner confronted PALMER, at which time she admitted to stealing from Valley Metal Buildings. During the conversation, PALMER told the owner that "this is going to ruin my life."

In interviews with law enforcement, PALMER admitted to using several business credit cards to make personal charges. PALMER used a Capitol One card (Valley Metal Buildings credit card in PALMER's name); an Edward Jones card (Valley Metal Buildings credit card in PALMER's name); a Capital One card (Valley Metal Buildings credit card in prior employee's name); a Lowe's card (Valley Metal Buildings credit card); an HSBC card (PALMER's personal credit card – used Valley Metal Buildings monies to pay for charges); and a Capital One card (PALMER's personal credit card – used Valley Metal Buildings monies to pay for charges).

PALMER admitted using the embezzled funds to pay for her granddaughter's day care expenses, power bill for her son, QVC charges, Home Shopping Network charges, Bresnan bills, Amazon charges, and miscellaneous online pet supplies and other online

shopping outlets

With regard to the Lowe's credit card, PALMER admitted that during 2008, she used the credit card to purchase flooring for her residence. PALMER advised that she paid the above credit cards online via the internet by transferring money from Valley Metal Buildings's bank account at Valley Bank.

In a February 2009 interview with the Federal Bureau of Investigation and the Helena Police Department, PALMER initially advised that she was not authorized to use the Valley Metal Buildings credit cards to make personal purchases but later maintained that the owner of Valley Metal Buildings told her she could make personal purchases as long as she paid the account using her own money. PALMER admitted that she rarely paid for the personal items she purchased and utilized a couple of schemes in an attempt to hide her personal charges from the accountant. PALMER explained that for the Valley Metal Buildings Edward Jones credit card, she used a cut and paste method to cover the personal charges on the monthly statements. PALMER explained that she would cut out legitimate Valley Metal Buildings business expenses and then paste them over the personal charges that were reflected on the monthly statements. With regard to the Valley Metal Buildings Capital One credit cards, PALMER advised that she would copy the online monthly statements into a Word document and then replace her personal charges with what would appear to be legitimate Valley Metal Buildings charges.

PALMER advised that Valley Metal Buildings banked at Valley Bank and that as part of the bill paying process, the owner would sign his name to blank checks so that PALMER could later pay Valley Metal Buildings bills. PALMER admitted that she made 5 to 10 checks payable to herself which she deposited into one of her accounts at Wells Fargo and hid their true nature in Valley Metal Buildings's accounting records. PALMER accomplished this by mis-coding the expense classification and inputting a different payee. PALMER recalled inputting one of the checks as payable to R&R Diesel and coding it as hauling. PALMER advised that she engaged in the above scheme to hide her thefts from the accountant. Finally, PALMER also admitted to diverting Valley Metal Buildings funds to pay personal expenses.

A private audit of the books and records of Valley Metal Buildings revealed that for the period January 2007 thru April 2009, the audit identified numerous schemes and devices used by PALMER that resulted in actual and attempted losses to Valley Metal Buildings totaling over \$157,000. There was a cursory review of 2006 which also showed fraudulent transactions but that was not within the actual audit period. For example, PALMER utilized business credit card accounts to make personal purchases. PALMER was identified as an authorized user on the accounts. PALMER used the accounts to make personal purchases and then hid the true nature of the charges with entries that had the appearance of legitimate Valley Metal Buildings business activity.

PALMER also paid for purchases on her own HSBC and Capital One credit cards via

online payments using the transfer of funds from Valley Metal Buildings' bank account to HSBC and/or Capital One.

In another aspect of the larger embezzlement scheme, PALMER made numerous pre-signed checks payable to herself and then hid the true payee of the check by recording a randomly chosen vendor's name in Valley Metal Buildings's books and records.

The investigation was a cooperative effort between the Federal Bureau of Investigation and the Helena Police Department.

WILLIAM GUY PAUL

On May 26, 2010, WILLIAM GUY PAUL, a 44-year-old resident of Billings, was sentenced to a term of:

- Prison: 4 months
- Home Confinement: 4 months home detention following prison term
- Special Assessment: \$100
- Fine: \$5,000
- Supervised Release: 3 years

PAUL was sentenced in connection with his guilty plea to bank embezzlement.

In an Offer of Proof filed by Assistant U.S. Attorney Ryan M. Archer, the government stated it would have proved at trial the following:

PAUL was the President of the Downtown Branch of Yellowstone Bank in Billings. He also oversaw the Yellowstone Bank in Bozeman. PAUL's duties included supervising approximately seven employees, bringing in new bank customers, issuing loans, and essentially running all aspects of the Downtown Branch.

In 2008 and 2009, PAUL used his position to embezzle funds from the bank for his own personal use and benefit. In early June 2009, Yellowstone Bank discovered over \$7,000 had not been paid to a bank customer. The customer sold real estate in February 2009, and due to a timing difference with their loan payment, they overpaid the bank \$7,244.12. On February 11, 2009, PAUL created a Yellowstone Bank cashier's check payable to the customer for \$7,244.12. But PAUL never gave the check to the customer. Instead, the check sat until May 15, 2009, when PAUL used the funds to make a payment on his personal credit card, deposited \$2,000 of it in his personal savings account, and took some more in cash.

Further investigation revealed that in addition to stealing these funds, PAUL took just over \$10,000 from the bank in 2008. PAUL deposited these funds into his personal bank account.

In all, Yellowstone Bank suffered a \$17,284.12 loss due to PAUL's conduct. In conversations with the bank, PAUL admitted to improperly taking the money. He was terminated from the bank on June 9, 2009, as a result of this conduct.

The investigation was conducted by the Federal Bureau of Investigation.

SHELLY DEVONNE PIPE

On October 21, 2010, SHELLY DEVONNE PIPE, a 44-year-old resident of Wolf Point, was sentenced to a term of:

- Prison: 45 months
- Special Assessment: \$300
- Restitution: \$65,465
- Supervised Release: 3 years

PIPE was sentenced in connection with her guilty plea to conspiracy to commit theft from an Indian tribal organization, conspiracy to obstruct a federal audit, and receipt of compensation from a source other than the federal government by a federal employee.

In an Offer of Proof filed by Assistant U.S. Attorney Carl E. Rostad, the government stated it would have proved at trial the following:

In the later part of 2008 and the early part of 2009, Fort Peck Tribal officials retained the services of a Certified Public Accountant to conduct a review of the Credit Program's finances in anticipation of a year-end audit. The accountant quickly identified excessive loans and discovered that the Credit Program employees and some of their relatives had excessive outstanding short term loans, suggesting that tribal monies had been embezzled, misapplied, or converted to the use of tribal and federal employees of the loan program, and their families.

As of June 2009, the total amount of outstanding short term loans was \$1,675,088. Approximately 48% of this amount (over \$800,000) were loans to Credit Program employees and their families. An investigation by the Department of Interior's Office of Inspector General determined that almost half of all loans were fraudulent.

The Bureau of Indian Affairs (BIA) Branch of Credit maintained oversight of the Fort Peck Credit Program until June 2008, when this Branch was transferred to the Office of Indian Energy and Economic Development (OIEED), Division of Capital Investment, Office of the Assistant Secretary for Indian Affairs. The OIEED transferred administrative oversight of the Fort Peck Credit Program to the Fort Peck Tribes in December 2008 and as of that date the Credit Program was strictly a tribal function. The Fort Peck Credit Program maintains three separate bank accounts with Independence Bank, Poplar, Montana. These bank accounts are dedicated to the Short Term Loan account, the Revolving Credit Fund account and the Entrepreneurial

Loan account.

Prior to the transition of oversight authority in December 2008, the Fort Peck Credit Program was staffed with six employees consisting of two federal employees and four subordinate tribal employees. Loan applications were reviewed by a three member Credit Committee who had authority to approve or deny the application pursuant to the Plan of Operations.

From August 12, 1999, to May 29, 2009, hundreds of fraudulent checks exceeding \$1 million were issued from the checking accounts of the Fort Peck Tribal Credit Department to a maximum of \$2,000, to qualifying tribal members. The checks were the consequence of a fraudulent scheme whereby all six of the Credit Program employees conspired to steal money from the Tribal Credit Department by securing unauthorized loans and direct payments for themselves. These disbursements purport to represent legitimate loans, overtime payments, and miscellaneous reimbursements to the employees when, in fact, the employees had far exceeded the maximum loan amount threshold of \$2,000 and their salary was paid separately through the Tribe's Payroll account. In many cases, the employees circumvented the approval authority of the oversight board – the Credit Committee – by falsely representing that approval for the disbursement had been obtained. To further solidify their conspiracy, the employees often split the proceeds of the checks with each other.

The Tribal Credit Program initially operated with \$1.5 million provided to them by the Department of the Interior through the U.S. Direct Loan Fund. The Direct Loan Fund was created to promote access to capital and increase economic opportunity of American Indians. The Direct Loan created and funded the tribal re-lending program, whereby loans repaid by tribal members would be used to repay the Direct Loan and ultimately create a reserve sufficient to make the Credit Program a viable operation. The Credit Program repaid their U.S. Direct Loan in 1996, and the funds in their account since that time are tribal monies.

During the period of the indictment, PIPE was a Loan Specialist with the U.S. Department of the Interior. PIPE began her federal career in June 1990 as a BIA Clerk-Typist in the Real Property Management Branch. In February 1994, she transferred to the position of Loan Assistant. After serving in that capacity for eight years, she was promoted to the position of Loan Specialist effective February 24, 2002, wherein she served as the overall Supervisory Credit Manager for the Credit Program.

P.B. was hired in June 2002 for the vacated position of BIA Loan Assistant. Toni Greybull served as the prior Supervisory Credit Manager. At the time of her death in March 2008, Greybull was the BIA Administrative Officer and she directly supervised PIPE.

Four employees had check signing authority on the Credit Program bank accounts - Greybull, PIPE, P.B. and E.R.B., as did the three members of the Credit Committee. In

some occasions loan applications were completed. In most cases, no loan documents could be located to support the disbursements to these employees. The conspiracy further evolved to include the issuance of loan checks to family members of the Credit Program employees, including their husbands, siblings and children.

The investigation identified 50 disbursements from the Credit Program checking accounts payable to PIPE between November 2002 and July 2008 that total \$24,311. Most of these payments were recorded as miscellaneous expenses and purport to represent performance awards, bonuses, accounts receivable reimbursements and overtime payments directly payable to PIPE. The investigation determined that no W-2 was ever issued to PIPE, nor were any of the standard deductions withheld from these payments.

Investigators obtained copies of PIPE's Federal Leave and Earnings Statements for January 2006 (Pay Period 01) through July 18, 2009 (Pay Period 15). These records reflect additional overtime payments to PIPE's federal salary totaling \$5,603 during calendar years 2006, 2007 and 2008.

PIPE's immediate family also received money from the Credit Program. In that regard, the investigation further identified 24 short term loans to her husband issued between March 2003 and April 2009 that total \$27,143, and 13 short term loans to her daughter issued between March 2005 and April 2009 that total \$14,021.

The scheme was in danger of discovery in September 2007 when the BIA conducted a program review of this Tribal Credit Program. When interviewed, the employees admitted that immediately prior to this internal review they changed the names on their loan files to conceal the short term loans they had issued themselves. The employee names were replaced with the names of deceased tribal members to prevent the discovery of the excessive disbursements during the federal review. Two federal employees – the BIA Regional Credit Officer and another BIA employee (review team) – were assigned to conduct the program review amidst complaints by the Tribal Chairman that the BIA Agency officials refused to disclose information concerning loan recipients to the Tribal Executive Board. The internal review team met with Greybull, PIPE and P.B. during their review. Altered records were provided to the BIA review team which concealed both long term and short term loans obtained by the Credit Program staff. By switching the loan account names, the Credit Program employees were able to reduce the outstanding short term loan balance by \$550,000 and thereby concealing their thefts. In addition, the review team was provided with an altered list of long term loans which omitted \$112,659 in long term loans obtained by the staff and/or their family members.

In December 2008, federal oversight of the Tribal Credit Program was discontinued and the two federal employees were reassigned. The audit referred to above was conducted and led to the federal investigation by the Office of Inspector General. Both the auditor and the federal investigators found that collection action on the outstanding loans was

nearly non-existent. In some instances, loan files contained no accompanying/supporting documentation denoting approval for the issuance of the loan or details on the repayments terms of the loan.

In July 2009, the four tribal employees were interviewed by the Tribe's Chief Financial Officer. All four employees admitted to stealing funds from the Credit Program and the matter was referred to law enforcement for a criminal investigation. The four tribal employees, as well as federal employee P.B., admitted to investigators their participation in the fraud scheme and further identified the disbursements to which they were not entitled to receive. The investigation determined that PIPE was a co-signer for the issuance of dozens of short term loans and miscellaneous checks made payable to her five subordinate employees, and their family members between April 2005 and August 2007. The total of these checks exceed \$129,138.

The investigation was conducted by the Department of Interior's Office of Inspector General.

CYNTHIA JANE RASMUSSEN

On November 18, 2010, CYNTHIA JANE RASMUSSEN, a 55-year-old resident of Kalispell, was sentenced to a term of:

- Prison: 21 months
- Special Assessment: \$100
- Restitution: \$160,218.74
- Supervised Release: 3 years

RASMUSSEN was sentenced in connection with her guilty plea to wire fraud.

In an Offer of Proof filed by Assistant U.S. Attorney Timothy J. Racicot, the government stated it would have proved at trial the following:

From 2004 until February 2008, RASMUSSEN was employed in the Kalispell area by the Montana Academy. On approximately February 14, 2008, one of her employers approached RASMUSSEN about tensions in the office among members of the administrative staff. During that conversation, RASMUSSEN admitted stealing approximately \$10,000 from the Montana Academy via unauthorized payroll deposits. Approximately one week later, RASMUSSEN presented her employer with a typed accounting of what she had stolen. That accounting showed that RASMUSSEN had taken approximately \$72,000.

A review of Montana Academy's and RASMUSSEN's bank records revealed that beginning in about 2005 and continuing until February of 2008, RASMUSSEN stole funds under her control from Montana Academy. RASMUSSEN effected her scheme by writing herself multiple payroll paychecks or increasing her salary when she

processed the payroll electronically. She also used a company credit card for personal expenses. RASMUSSEN disguised her activities by falsely coding checks and electronic transfers in the accounting system as payments to vendors, other companies, and voided checks.

Between January 2005 and December 2006, more than \$250,000 from Montana Academy was deposited into accounts under RASMUSSEN's control. A review of Montana Academy's accounting program showed that RASMUSSEN reported paying herself approximately \$40,000 in both 2005 and 2006. During 2007, more than \$170,000 from the Montana Academy was deposited into accounts under RASMUSSEN's control. And RASMUSSEN continued to issue herself checks from the Montana Academy for several days after she was placed on administrative leave in February 2008.

The investigation was a cooperative effort between U.S. Homeland Security Investigations and U.S. Secret Service.

SALVADOR REYES

On September 2, 2010, SALVADOR REYES was sentenced to a term of:

- Prison: 70 months
- Special Assessment: \$200
- Forfeiture: \$8,398.01
- Restitution: to be determined within 90 days
- Supervised Release: 5 years

REYES was sentenced in connection with his guilty plea to conspiracy to commit bank fraud and aggravated identity theft.

In an Offer of Proof filed by Assistant U.S. Attorney Bryan R Whittaker, the government stated it would have proved at trial the following:

On May 06, 2009, a Montana Highway Patrol officer stopped a vehicle near Three Forks for speeding. There were five occupants in the car, including REYES, Alberto Lagunas-Soto, Lorenzo Santos-Figueroa, and Mauricio Urquiza-Flores

During the traffic stop, one of the co-conspirators admitted to the officer that the occupants of the vehicle were engaged in an illegal check cashing scheme. A subsequent search of the co-conspirator's person revealed an envelope in her underwear containing seventeen (17) stolen United States Treasury checks totaling \$27,922 and thirty (30) counterfeit California driver's licenses and identification cards.

Evidence would have been introduced at trial to show that beginning in April 2009, and continuing until May 6, 2009, at Billings, Butte, other parts of Montana and other places

throughout the western United States, including California and Wyoming, REYES, Lagunas-Soto, Santos-Figueroa, and Urquiza-Flores knowingly entered into an agreement to participate in a scheme and plan to obtain money from U.S. Bank intending to defraud the bank by knowingly making materially false statements.

As part of their scheme to commit bank fraud, they obtained stolen United States Treasury checks belonging to other persons. They also obtained counterfeit California driver's licenses and identification cards with names and addresses corresponding to the payee names and addresses on the stolen checks. Several of the driver's licenses and identification cards reflected the photographs of REYES, Lagunas-Soto, Santos-Figueroa, and Urquiza-Flores.

Evidence would also have shown that they furthered their scheme by driving from southern California to Montana and Wyoming to negotiate the stolen U.S. Treasury checks at various U.S. Bank branches in exchange for cash. They entered U.S. bank branches and made false statements to bank employees by claiming to be the true payees of the checks. The checks presented to U.S. Bank contained the forged endorsements of the true payees. This scheme caused the financial institution to part with thousands of dollars and involved more than 50 victims.

Lagunas-Soto, Santos-Figueroa, and Urquiza-Flores pled guilty to federal charges and have been sentenced.

The investigation was a cooperative effort between the Montana Highway Patrol and U.S. Immigration and Customs Enforcement.

ADENA RAE SAVAGE

On September 27, 2010, ADENA RAE SAVAGE, a 31-year-old resident of East Helena, was sentenced to a term of:

- Prison: 7 months
- Special Assessment: \$100
- Restitution: \$10,035.86
- Supervised Release: 3 years

SAVAGE was sentenced in connection with her guilty plea to welfare fraud.

In an Offer of Proof filed by Assistant U.S. Attorney Carl E. Rostad, the government stated it would have proved at trial the following:

During a two year period between March 2006 and April 2008, SAVAGE made false statements to the Montana Department of Public Health and Human Services (MDPHHS) in order to obtain \$11,768 in Food Stamp and Temporary Assistance to Needy Families benefits to which she would not have otherwise been entitled to

receive.

Prior to March 2006, SAVAGE had been receiving both Food Stamp and TANF assistance. Beginning on March 2, 2006, however, SAVAGE made false claims for those benefits by failing to disclose facts material to eligibility.

SAVAGE was interviewed in October 2009 and admitted to all of the concealments and misrepresentations. SAVAGE indicated that her addiction to drugs had led her to fraudulently obtain Food Stamp and TANF benefits. Her former husband confirmed that he had contributed income that was not reported.

Total loss amount: \$11,768.

The investigation was conducted by U.S. Department of Agriculture - Office of Inspector General.

RANDALL CRAIG SENN

On June 2, 2010, RANDALL CRAIG SENN, a 27-year-old resident of Billings, was sentenced to a term of:

- Prison: 30 months
- Special Assessment: \$100
- Restitution: \$521,869
- Supervised Release: 3 years

SENN was sentenced in connection with his guilty plea to conspiracy to commit fraud.

In an Offer of Proof filed by Assistant U.S. Attorney Ryan M. Archer, the government stated it would have proved at trial the following:

Rosetta Stone is a company that sells all-inclusive language tutorials and other products. The fraud enforcement section of Rosetta Stone determined that a customer using the username "Littlbuger" made thousands of dollars in online purchases using numerous fraudulent credit card numbers.

The U.S. Secret Service discovered that a majority of the fraudulently used credit cards were issued by Chase Bank. Chase Bank determined that the cards were compromised by a computer program called "Credit Master." This program creates valid credit card numbers using an algorithm. The numbers used to purchase Rosetta Stone products belonged mostly to small business owners, each of whom had reported one unauthorized purchase to Rosetta Stone.

Investigation into the username "Littlbuger" revealed documents and records identifying SENN in Billings. SENN was further identified as re-selling Rosetta Stone products

through online services such as E-Bay, ioffer.com, Blue-pay and Google Check-out – several of which suspended SENN from selling items based on the fraudulent nature of the transactions.

A search warrant was executed at SENN's place of business and personal residence. At the time, SENN stated that he met Osama Moosa Al Hami and his brother online. Al Hami resided in Jordan and provided the Rosetta Stone products for SENN to re-sell in the United States through online services. Al Hami had Rosetta Stone merchandise directly delivered to SENN's residence and SENN agreed to sell the products for half their retail value. SENN kept 45-50% of the profits while sending the rest to Al Hami. He also admitted to selling a few products from Hasbro Toys and Pet Medication. SENN stated that at the end he knew it was not right, but could not stop because of the amount of money coming in.

A search of SENN's computers revealed correspondence with Al Hami indicating that SENN was aware of the scheme. At one point SENN requested that Al Hami create a fabricated certificate indicating they were authorized retailers of Rosetta Stone products. Western Union and Money Gram wires also showed that SENN wired Al Hami money in Zarka and Amman, Jordan.

In coordination with the Secret Service, the Jordanian Public Security Directorate located, identified and arrested Osama Al Hami in Amman Jordan. A forensic examination of his computer disclosed several unauthorized credit card numbers along with a program capable of generating valid numbers. Al Hami admitted to using the credit cards to unlawfully purchase goods from Rosetta Stone and Hasbro. He also implicated SENN as his partner. Jordanian law enforcement officials are pursuing charges against Al Hami in the Jordanian justice system.

A financial analysis indicates that SENN made approximately \$100,000 between October 2008 and April 2009.

The investigation was conducted by the U.S. Secret Service.

MAKSYMILIAN SAPIEJEWSKI

On August 10, 2010, MAKSYMILIAN SAPIEJEWSKI, a 32-year-old citizen of Canada, was sentenced to a term of:

- Prison: 12 months
- Special Assessment: \$100
- Restitution: \$13,288.10
- Supervised Release: 3 years

SAPIEJEWSKI was sentenced in connection with his guilty plea to interstate transportation of stolen property.

In an Offer of Proof filed by Assistant U.S. Attorney Carl E. Rostad, the government stated it would have proved at trial the following:

On March 25, 2010, U.S. Customs and Border Protection agents were conducting Immigration status checks on the Eastbound Amtrak train in Havre. Agents encountered an individual who identified himself as Vladimir Putenko and presented an Illinois driver's license in the name of Putenko as identification.

An immigration records search identified Putenko as a Russian citizen illegally in the United States. Later, the man calling himself Putenko admitted his true identity MAKSYMILIAN SAPIEJEWSKI, a Canadian citizen illegally in the United States, and that he had used the Putenko alias since 2005.

Agents located two suitcases in the sleeper car in which SAPIEJEWSKI was traveling, however SAPIEJEWSKI denied that he owned the suitcases. The agents transported SAPIEJEWSKI and the two suitcases (as abandoned property) to the Havre U.S. Customs and Border Protection Station.

When questioned again, SAPIEJEWSKI admitted one of the suitcases was his. He pulled a key out of his pants pocket and opened the suitcase. The suitcase contained several pieces of expensive commercial camera equipment which SAPIEJEWSKI claimed to have purchased through the internet sales site known as Craig's list. He then declined to continue discussion about the equipment but indicated that law enforcement would find out about it anyway.

Further investigation revealed that the equipment was the subject of a recent stolen property report out of Seattle, Washington, by Optechs Digital. The company confirmed that they had been the victim of theft on March 22, 2010, three days before SAPIEJEWSKI was discovered on the train from Seattle. The train upon which SAPIEJEWSKI was found would have left Seattle only two days after the burglary. Optechs Digital provided an itemized list of the camera equipment stolen from their store. That list was compared with the items retrieved from SAPIEJEWSKI's suitcase and the serial numbers were found to be identical – consisting of two camera bodies and ten camera lenses, with an approximate retail value in excess of \$70,000.

SAPIEJEWSKI has a criminal record in Canada for breaking and entering, burglary, and theft related offenses. No evidence was found to suggest that SAPIEJEWSKI was, or ever has been, a professional photographer or engaged in any lawful business in which such equipment would be used.

The investigation was a cooperative effort between the U.S. Customs and Border Protection and U.S. Homeland Security Investigations.

BONNIE SCHREIBER

On May 27th, 2010, BONNIE SCHREIBER, a 57-year-old resident of Roundup, was sentenced to a term of:

- Prison: 15 months (time served)
- Special Assessment: \$400
- Restitution: \$68,726
- Supervised Release: 3 years

SCHREIBER was sentenced after having been found guilty after a 3-day trial of wire fraud, bank fraud and theft of government property in October of 2008. At trial, the evidence showed that SCHREIBER engaged in a disability fraud scheme. From 2006 to the time of indictment, Schreiber had received \$68,726 in federal workers' compensation benefits that were wired directly into her bank account. She was receiving disability payments for an alleged back injury she received years before. As shown at trial, SCHREIBER made material false representations to her doctors and the government about her medical condition and limitations when she well knew that she was capable of a wide range of activities. Specifically, she represented to her treating physician in 2006 that her condition was, if anything, getting worse. She reported to the Department of Labor that she could not bend straight legged, could not work more than a half hour, was unable to bend over to perform routine actions and was totally disabled. She made these representations despite the fact that she knew, and was video taped, performing a wide range of outdoor activities such as hunting, fishing, stacking and cutting firewood, operating a tractor, bending from the waist to perform manual labor and hauling wood.

Assistant U.S. Attorney Ryan M. Archer prosecuted the case for the United States.

The investigation was conducted by the Department of Labor Office of Inspector General and the Postal Inspection Service Office of Inspector General.

ERIC JAMES SCHULTZ

On September 22, 2010, ERIC JAMES SCHULTZ, a 39-year-old resident of Bozeman, was sentenced to a term of:

- Prison: 20 months
- Special Assessment: \$200
- Restitution: \$850,000
- Supervised Release: 3 years

SCHULTZ was sentenced in connection with his guilty plea to investment fraud and money laundering.

In an Offer of Proof filed by Assistant U.S. Attorney Carl E. Rostad, the government stated it would have proved at trial the following:

SCHULTZ owned and operated two lending businesses – American Mortgage and Big Sky Equity – which did business in Bozeman and Livingston. The businesses were real estate and mortgage investment enterprises.

Beginning in approximately March of 2008, SCHULTZ, through a business associate, met with another individual in Missoula. That individual, T.F., convinced SCHULTZ that he, T.F., had a program whereby securities would be purchased through a brokerage and then resold to pension funds for a huge profit. T.F. told SCHULTZ that he could turn \$50,000 into \$1.5 million in as little as two months. SCHULTZ was wary of the promotion and told T.F. that he would wait and see the results of the strategy before committing his own funds. The strategy never proved possible and SCHULTZ invested no monies.

When the deal did not come through, SCHULTZ searched for another investment vehicle to promote and found another opportunity through a second individual, M.M. M.M. used a “mid-term note” platform rather than T.F.’s “zero coupon bond” strategy. SCHULTZ sent M.M. \$50,000 in May of 2008. When the deal did not materialize, M.M. returned SCHULTZ’s \$50,000 six weeks later, but without the benefit of the promised returns.

SCHULTZ, using an intermediary, T.C., approached several large investors and promoted the “mid term note” scheme. SCHULTZ told investors that their money was being placed in a relatively short term investment program that he had set up for maximum rate of return. SCHULTZ did not disclose that he would use any of the amount committed for investment to his personal use. SCHULTZ convinced these investors that their investments would return large amounts of money once invested in his program. One investor, Investor A, during conversations with T.C., was told that he would earn a rate of return of 10 to 1 in 60 days. Prior to investing, this investor received numerous documents from SCHULTZ regarding the investment program which confirmed these promised rates of return. Relying on both verbal and documentary promises, Investor A mailed SCHULTZ a check totaling \$100,000 for which he was to receive \$1.375 million return in 60 days, according to the documentation provided by SCHULTZ.

A second investor, Investor B, was also put in contact with SCHULTZ through T.C., SCHULTZ’s intermediary, and the investor’s personal investment broker. During conversations between Investor B and SCHULTZ, SCHULTZ explained the investment program and the rates of return. SCHULTZ explained that there was no risk to the invested money and the investor could receive up to 16 times the original investment. SCHULTZ also stated that the investment program would last only 60 days from the time that the investment was made at which time the investor would receive the rate of return promised. Prior to investing, Investor B received numerous documents from

SCHULTZ confirming the investment program which detailed the rates of return. Investor B, along with other investors, wired \$140,000 to SCHULTZ for which they were to receive \$2.8 million return in 60 days.

During the period June 2008 through August 2008, SCHULTZ received, from Investors A and B, and others, \$740,000. Of that amount, he diverted over \$500,000 to his own personal use and benefit. He did invest the remaining \$200,000, more or less, with T.F., who was promoting the “zero coupon bond” scheme, but not until September 2, 2008. That amount was also lost as the “zero coupon bond” scheme itself was a swindle. Even though he had been repaid his personal investment of \$50,000 by early July 2008 without any profit, SCHULTZ had continued to take in monies from investors knowing that the second deal would not produce the promised returns.

Investors were told nothing about T.F.’s “zero coupon bond” concept. They were told they would be investing in a program put together by SCHULTZ to invest in mid-term notes, and believed they were investing the full amount of their payment.

The investigation was a cooperative effort between the Federal Bureau of Investigation and the Criminal Investigation Division of the Internal Revenue Service.

TAMMY SMITH

On May 19, 2010, TAMMY SMITH, a 40-year-old resident of Billings, was sentenced to a term of:

- Probation: 30 months
- Special Assessment: \$100
- Restitution: \$11,175.43
- Fine: \$500

SMITH was sentenced in connection with her guilty plea to embezzlement/theft of labor union assets.

In an Offer of Proof filed by Assistant U.S. Attorney Jessica T. Fehr, the government stated it would have proved at trial the following:

Painters Local 1922 is a labor organization in Billings. It is composed of approximately 31 members, all of whom are employed in occupations related to industrial painting. The local is party to a collective bargaining agreement with four industrial painting contractors located in Montana which are engaged in interstate commerce. The local employed SMITH as the local’s office secretary beginning in 2002. Her duties included coming into the office from 1 p.m. to 2 p.m. each weekday to check correspondence, handle phone calls, write checks for the local’s expenses, collect members’ dues, issue receipts, prepare deposit slips, make bank deposits and prepare the locals LM-3 report, a federal reporting requirement. She was paid \$10 per hour for the time she worked.

Local 1922 members pay working dues of 4.5%, which are paid directly via payroll deduction. Members also pay monthly dues of \$22.75 which are paid directly to the local, either by mail or in person at the union hall. SMITH was the person primarily responsible for collecting the dues and issuing receipts to the members for their payments. The dues were to be collected, receipts issued, and the money deposited into the local's bank accounts. During the course of the investigation it was determined that cash dues payments, accepted by SMITH, were never deposited in the local's bank accounts. A review of SMITH's personal bank accounts for the same period show cash deposits that coincide with missing cash from the local's cash receipts. SMITH was not authorized to keep any of the cash collected as members' dues for her own personal use.

In addition to the missing dues payments, the investigation also uncovered that SMITH was writing checks from the local's bank accounts to herself or to cash. SMITH was not an authorized signatory on any of the labor union's three bank accounts. The questionable checks were reviewed by the president and the business manager of the labor union. Neither individual had any explanation for the majority of the checks written to SMITH or to cash. The president and business manager of the labor union confirmed that SMITH was not authorized to write herself the additional checks. The additional, unauthorized labor union checks corresponded to deposits made to SMITH's personal bank account.

The total amount taken by SMITH from the labor union, without authorization, was \$11,175.43.

The investigation was conducted by the Department of Labor.

JODY STEPHENS

On March 3, 2010, JODY STEPHENS, a 47-year-old resident of Billings, was sentenced to a term of:

- Prison: 14 months
- Special Assessment: \$100
- Restitution: to be determined within 90 days
- Supervised Release: 1 year

STEPHENS was sentenced in connection with her guilty plea to misprision of a felony.

In an Offer of Proof filed by the United States, the government stated it would have proved at trial the following:

STEPHENS worked for a car dealership in Montana until January of 2007, serving in the roles of comptroller and office manager. She had actual knowledge of the following facts showing that her supervisor committed the crime of mail fraud.

From at least September 2005 until October 2006, STEPHENS' supervisor knew that employees at the car dealership represented to customers who traded-in vehicles with outstanding loans that their loans would be paid off by the dealership. Because the dealership was suffering financial problems and could not pay off all the loans, the supervisor told employees, including STEPHENS, not to pay off the loans on certain vehicles that had been traded-in. Instead, the supervisor directed employees, including STEPHENS, to make payments on those loans to try to keep the loans current.

The supervisor lied and directed STEPHENS to lie to customers who called asking why the loans on their traded-in vehicles had not been paid off. Specifically, on September 13, 2006, STEPHENS concealed the fraud by lying to a customer and telling him that his loan was not paid off because a girl who worked at the dealership quit and another went to a different department.

The supervisor also knew that employees at the dealership did not tell customers purchasing traded-in vehicles that the vehicles had outstanding liens. The supervisor also knew that employees represented to the purchasing customers' lenders, or knew that the purchasing customers represented to their lenders, that the purchased vehicles did not have outstanding liens when, in fact, he knew that some of them did.

On October 5, 2006, the supervisor caused to be mailed with the U.S. Postal Service a \$600 check from the dealership to Wells Fargo Bank which was holding the loan on a vehicle that had been traded-in in order to try to keep the customer current on the loan.

STEPHENS did not as soon as possible make known the crime to someone in authority. She did not make known the crime to anyone in authority at all until she was confronted by federal law enforcement.

First Assistant U.S. Attorney Kurt G. Alme prosecuted the case for the United States.

The investigation was conducted by the Federal Bureau of Investigation.

ERIN LEE STEWART

On May 14, 2010, ERIN LEE STEWART, a 50-year-old resident of Gallatin Gateway, was sentenced to a term of:

- Prison: 33 months, consecutive to a state sentence
- Special Assessment: \$200
- Restitution: \$7,185.82
- Supervised Release: 3 years

STEWART was sentenced in connection with her guilty plea to credit card fraud and aggravated identity theft.

In an Offer of Proof filed by Assistant U.S. Attorney Ryan M. Archer, the government stated it would have proved at trial the following:

STEWART was a manager at a restaurant at Big Sky Resort in 2007 and 2008. In this position, she managed several employees, including K.M. and J.W. who, in late 2008, reported that their identities had been stolen.

Subsequent investigation revealed that an application with Barclay's Bank on October 28, 2008, was approved and a card was issued to "KM" at an address on Gallatin Road, Gallatin Gateway. This was an electronic credit card application and the listed e-mail address was dayzrainbow@hotmail.com, it also had a maiden name of "Underwood" listed. KM stated that she did not authorize this credit card, has never lived at the address on Gallatin Road, does not have a maiden name of "Underwood," and does not use the e-mail address of dayzrainbow@hotmail.com.

However, STEWART did reside at the residence on Gallatin Road. KM also stated that while she was working at Big Sky, STEWART called her daughter "Dazy Rainbow." Microsoft records for the dayzrainbow@hotmail.com account confirm that it was opened under the Gallatin Road address. Over \$3,000 was charged on the card and there is over \$2,400 in fraud loss.

A search by federal law enforcement officials was conducted at the Gallatin Road address and a Dell Laptop ordered in K.M.'s name was recovered. STEWART's daughter told agents that her mom gave it to her as a gift. After an exam was conducted, it was discovered that this laptop had been used to access the dayzrainbow@hotmail.com e-mail address.

Additional evidence showed that mail at the Gallatin Road address was being delivered in the names of K.M and J.S. Investigation revealed that STEWART had obtained credit cards in the names of other individuals who worked under her at the restaurant. In one instance, a card was obtained with J.W.'s social security number. The card was used at a Walmart Store, and the receipt was signed with the name ERIN STEWART.

In all, there was over \$6,800 in fraud loss and at least five identities were compromised.

The investigation was conducted by the United States Secret Service.

TARIES MERIE STROOP

On September 13, 2010, TARIES MERIE STROOP, a 49-year-old resident of Great Falls, was sentenced to a term of:

- Prison: 6 months
- Special Assessment: \$100
- Restitution: \$21,991.93

- Supervised Release: 3 years

STROOP was sentenced in connection with her guilty plea to embezzlement from a local government.

In an Offer of Proof filed by Assistant U.S. Attorney Carl E. Rostad, the government stated it would have proved at trial the following:

In April of 2009, suspicions arose that certain income to the Cascade County Sheriff's Office had not been properly accounted for and had possibly been stolen. The Sheriff's Office initiated an internal investigation which concluded that \$46,580.62, more or less, had gone missing from the Civil Department.

STROOP worked for the Cascade County Sheriff's Office from February 2005 until her resignation in April 2009. As a clerk in the Civil Department, STROOP was responsible for collecting monies, often in cash, received for such things as concealed weapons permits, fingerprint records, service of court orders, writs of execution, and Sheriff's sales. STROOP was tasked with accounting for and depositing these funds into the Civil Department bank account. She would then write a check on that account to the Cascade County Treasurer for the funds received by the Sheriff's Office.

Beginning in April of 2005, according to STROOP's admissions to the Federal Bureau of Investigation, she began taking cash receipts and omitting them from the bank deposit. STROOP's bank records during this time reflect cash deposits of \$3,680, more or less. STROOP has admitted that she had no other source of cash receipts but from her theft from the Sheriff's Office. STROOP admitted to taking as much as five to six hundred dollars each month, but denied ever taking more than \$1,000 in any one month period.

By May of 2008, the Sheriff's account was over \$14,000 in arrears, that is, receipts and other records reflected that \$14,000 had been taken in but not deposited in the office account. STROOP confirmed that she had converted, to her personal use, cash monies received for service of process fees which were to be deposited, and a check written to the Cascade County Treasurer, on a monthly basis. As noted, every month the Sheriff's Office is required to account for and deposit monies received. Then from that account a check is written to the Cascade County Treasurer. STROOP attempted to cover seven months of arrears (August 2007 to February 2008), where no checks had been sent to the Treasurer, by writing 14 checks to the Cascade County Treasurer, in the total amount of \$14,027.89 on May 14, 2008. The money to back those checks came from a large payment of \$31,000 made to the Sheriff's Office representing garnishments on judgments which are processed through that office.

Using a \$600 per month figure over the four year course of her embezzlement, the loss to the Sheriff's Office would have been approximately \$28,000. Because the thefts involved cash, exact theft amounts cannot be determined.

The investigation was conducted by the Federal Bureau of Investigation.

MICHAEL BENTON SULLIVAN

On December 3, 2010, MICHAEL BENTON SULLIVAN, a 61-year-old resident of San Diego, California, was sentenced to a term of:

- Prison: 5 months
- Special Assessment: \$100
- Restitution: \$159,750
- Supervised Release: 3 years

SULLIVAN was sentenced in connection with his guilty plea to conspiracy to commit fraud.

In an Offer of Proof filed by Assistant U.S. Attorney Ryan M. Archer, the government stated it would have proved at trial the following:

William Marlin and Tyrone Dyse were previously convicted and sentenced for participating in a scheme and conspiracy to defraud by operating a telemarketing boiler room scam under the business name “Children Family Films” (CFF). CFF consisted of several individuals who would cold call investors and try to sell them investment shares in CFF. The callers adopted aliases and posed as former investors in order to convince new investors to pay money into the scheme.

Marlin and other boiler room operators typically promised investors that they would receive 100% of their investment back in three months and then they would receive thousands per month for 1-3 years afterwards, depending on the amount of the initial investment. Investors were told that companies like HBO and Disney would purchase CFF movies and play those movies on their station. In turn, the companies would allegedly pay CFF for the movies and the profit would be passed on to CFF investors.

In reality, this never happened. CFF never had any contracts with Showtime, HBO, Disney or any other media or cable television company. CFF never received any payment from any of these companies. Marlin has admitted that CFF was a fictitiously named company that never produced a film, product, video or any other media. Not one investor was ever paid a return on their investment. And CFF investments were instead used for Marlin’s own personal benefit, for the benefit of the other boiler-room co-conspirators, and to pay expenses required to perpetuate the scheme.

In April of 2007, a caller from CFF contacted E.J. in Bozeman. He told her that CFF produced B movies in the child film industry and sold them to HBO, STARZ and other stations. Identifying himself as “Mike Larson”, the CFF caller guaranteed E.J. that a \$20,000 investment would generate a return of 5 to 1, and an \$1,800 per month payment for 36 months following the return of the initial investment. This ultimately

convinced E.J. to invest \$20,000 in CFF, and provide additional “investment” funds from other Montanans. During the course of investigating CFF and Marlin’s activities, one investor identified SULLIVAN as calling him directly and soliciting an investment. Another investor identified a “Mike Larson” as calling him from a cell phone number which was registered by Verizon to SULLIVAN.

When Marlin was arrested, he provided statements to the FBI and said that SULLIVAN was one of the callers for CFF and knew he was deceiving investors when soliciting money from them.

Marlin advised that SULLIVAN made the calls from his residence in San Diego, California, with the use of his cell phone. He said SULLIVAN’s primary alias was “Mike Larson.” Marlin stated that E.J. was one of several investors that SULLIVAN initially contacted. SULLIVAN would also pose as a doctor or real estate broker and claim to be a satisfied investor in order to convince victims to invest in the scheme. Ultimately, Marlin said that SULLIVAN, along with Dyse and others, received a percentage of the fraud proceeds involved in CFF. The FBI tracked over \$60,000 in fraud proceeds to SULLIVAN. Bank records revealed that the checks were sent and endorsed by SULLIVAN.

The investigation was a cooperative effort between the Federal Bureau of Investigation and the Criminal Investigation Division of the Internal Revenue Service.

TONYA PATRICE THOMAS

On November 8, 2010, TONYA PATRICE THOMAS, a 39-year-old resident of Wolf Point, was sentenced to a term of:

- Prison: 12 months
- Special Assessment: \$100
- Restitution: \$34,788.28
- Supervised Release: 3 years

THOMAS was sentenced in connection with her guilty plea to bank fraud.

In an Offer of Proof filed by Assistant U.S. Attorney Carl E. Rostad, the government stated it would have proved at trial the following:

THOMAS had a romantic relationship with R.G., a Nashua area farmer and rancher. In July of 2009, THOMAS took R.G.’s checkbook and, forging R.G.’s signature, began writing checks, most made payable to herself, off of R.G.’s bank account with the First Community Bank of Glasgow. Between July and November of 2009, THOMAS wrote and cashed \$34,788.28 worth of fraudulent checks.

THOMAS was interviewed and admitted to the forgeries and the transaction of the

checks with the knowledge that she was not authorized or otherwise given permission to access the account.

The investigation was conducted by the Federal Bureau of Investigation.

WANDA SUE VENEGAS

On February 10, 2010, WANDA SUE VENEGAS, a 41-year-old resident of Billings, was sentenced to a term of:

- Probation: 5 years, with 6 months house arrest
- Special Assessment: \$100
- Restitution: \$35,064

VENEGAS was sentenced in connection with his guilty plea to theft of federal property by fraud.

In an Offer of Proof filed by Assistant U.S. Attorney Carl E. Rostad, the government stated it would have proved at trial the following:

Between September 2004 and May 2008, VENEGAS made false statements on her applications, reports, and recertifications in order to receive food stamps, Medicaid benefits, and Temporary Assistance for Needy Families (TANF) benefits. VENEGAS also falsified rental verifications in order to conceal the number of household members who resided with her.

Specifically, VENEGAS concealed by omission and misrepresentation the fact that her husband was living in the household, was employed, and was contributing significant earned income to the family's financial condition.

As a result, VENEGAS received \$18,438 in food stamp benefits, \$15,256 in Medicaid benefits, and \$1,560 in TANF benefits to which she was not entitled.

On April 16, 2008, VENEGAS admitted that her husband resided with her the entire time their benefits were received and that he was employed.

On April 22, 2008, VENEGAS provided E. VENEGAS' Internal Revenue Service Forms W-2 and 1099 for the years 2004, 2005, 2006, and 2007, along with a statement which included an apology for concealing his income and an admission that they had not filed income tax returns for any of these years.

Total loss amount was \$35,254.

The investigation was conducted by the U.S. Department of Agriculture - Office of Inspector General.

RONDA MARIE WALTER

On September 22, 2010, RONDA MARIE WALTER, a 42-year-old resident of Billings, was sentenced to a term of:

- Prison: 2 Days
- Home Arrest: 12 months
- Special Assessment: \$100
- Restitution: \$205,865.44
- Supervised Release: 3 years
- Community Service: 500 hours

WALTER was sentenced in connection with her guilty plea to wire fraud.

In an Offer of Proof filed by Assistant U.S. Attorney Ryan M. Archer, the government stated it would have proved at trial the following:

In December 2008, Underriner Motors discovered that the company accounts did not reconcile and were off by \$123,000. Further investigation revealed that a long-time employee, WALTER, had been misappropriating funds since June 2005. WALTER misappropriated funds by taking cash on hand out of the bank deposits.

When a customer paid the cashier for services, down payments or other expenses at the dealership, the payments were logged into the "daily cashier's log." WALTER would take a portion of the cash deposits at the end of the day and pocket them, although the logs showed the full cash amounts. She would then subtract the amount of cash taken from one of the checks deposited that day - making it look like the deposited check was for less than it actually was. Then when the funds were deposited into the bank, the cash would be less by the amount WALTER took, and the checks would be more by the amount she altered, all with the appearance that the accounts balanced.

On March 20, 2007, for instance, Underriner received \$226.11 in cash. This full amount was reflected in the logs. They also received check 17557 from Lithia Dodge comprising a \$715.37 payment. WALTER pocketed \$200 of the cash and only deposited \$26.11 into Underriner's account. In the company logs, she reflected the \$715.37 check as \$515.37. So when the check was deposited for the full \$717.37, it made up the \$200 shortfall in cash. This same check was cleared from Lithia Dodge's U.S. Bank account in Helena and the Federal Reserve Bank in Minneapolis, Minnesota, thereby comprising an interstate wire transfer.

In all, from June 2005 through December 2008, WALTER misappropriated \$198,845.44 in cash. She also made false entries into the books and records to make it appear she was making her lease payments and received a benefit of \$7,020 in lease payments, for a total loss of \$205,865.44. WALTER has admitted to misappropriating both cash proceeds and manipulating her lease payments.

The investigation was conducted by the Federal Bureau of Investigation.

IDENTITY THEFT

SHARON LYNN DUNLAP

On June 4, 2010, SHARON LYNN DUNLAP, a 38-year-old resident of Red Lodge, was sentenced to a term of:

- Prison: 36 months
- Special Assessment: \$200
- Restitution: \$69,602.46
- Supervised Release: 5 years

DUNLAP was sentenced in connection with her guilty plea to wire fraud and aggravated identity theft.

In an Offer of Proof filed by Assistant U.S. Attorney Ryan M Archer, the government stated it would have proved at trial the following:

DUNLAP was employed by Blackstone Operating, also doing business as Quantum Partnership, for approximately four years. Blackstone Operating is located in Red Lodge. In January of 2006, DUNLAP was promoted to head bookkeeper and office manager.

During the first week of May 2008, a Blackstone quarter-partner was reviewing financial statements when he noticed that DUNLAP'S bi-weekly salary had increased from \$1,525 to \$2,615. He confronted DUNLAP, who stated that she had given herself a raise. The raise had not been approved by the partners. This prompted the quarter-partner to look further into DUNLAP'S actions.

Additional inquiry and investigation revealed that between August 2006 and April 2008, DUNLAP wrote checks from Quantum's business checking account to her husband's concrete construction company, A & A Construction. A & A Construction never performed any work for Blackstone or Quantum. The checks totaled \$37,168.12. DUNLAP'S practice was to write unauthorized checks using a signature stamp and deposit them into A & A's First Interstate checking account. Then, via online banking, DUNLAP would transfer the stolen funds into her personal First Interstate Bank account and use the funds for personal expenses.

Additionally, from October 2006 through May 2008, DUNLAP made numerous unauthorized purchases on Quantum's Discover credit card. The purchases totaled \$28,013.50. The items she purchased ranged from personal vacation and travel for herself and family members (including hotels, airline tickets, a Disneyland trip, and

hockey games), to miscellaneous expenses at Pet Smart and Wal-Mart, as well as jewelry. DUNLAP then paid the Discover Card bills with checks she wrote from the Quantum business checking account.

In addition to these offenses, DUNLAP also made unauthorized gasoline purchases with Quantum's Exxon Mobile and Conoco Phillips credit cards totaling \$1,714.28, and overpaid herself \$6,855.98. Quantum's fraud loss totaled \$73,751.88.

DUNLAP provided a full confession of her fraudulent activities along with a written statement detailing her offense.

The investigation was conducted by the U.S. Secret Service.

ILLEGAL ALIENS and IMMIGRATION OFFENSES

SERGIO ALVAREZ-GONZALEZ

On September 22, 2010, SERGIO ALVAREZ-GONZALEZ, a 26-year-old citizen of Mexico, was sentenced to a term of:

- Prison: 5 months
- Special Assessment: \$100
- Supervised Release: 1 year

ALVAREZ-GONZALEZ was sentenced in connection with his guilty plea to illegal re-entry.

In an Offer of Proof filed by Assistant U.S. Attorney Marcia K. Hurd, the government stated it would have proved at trial the following:

On June 14, 2010, ALVAREZ-GONZALEZ was encountered in Billings by a Montana Department of Transportation Patrol Officer. The officer notified U.S. Homeland Security Investigations (HSI) of the encounter, arrested ALVAREZ-GONZALEZ for several violations, and had him transported to the Yellowstone County Detention Facility. At the detention facility, when questioned, ALVAREZ-GONZALEZ admitted being a citizen and national of Mexico and that he was illegally present in the United States.

On June 21, 2010, ALVAREZ-GONZALEZ completed time for all local charges in Yellowstone County and was released to HSI custody.

A review of immigration records and a fingerprint comparison revealed that ALVAREZ-GONZALEZ had multiple encounters with immigration officers in the last year, with his final removal from the United States on July 12, 2009, through Nogales, Arizona.

Further review of immigration records found no evidence that ALVAREZ-GONZALEZ had received permission from the Attorney General or the Secretary of Homeland Security to reenter the United States after having been removed.

The investigation was a cooperative effort between Montana Department of Transportation and U.S. Homeland Security Investigations.

JESUS BARRIGA-PULIDO

On April 14, 2010, JESUS BARRIGA-PULIDO, a 41-year-old citizen of Mexico, was sentenced to a term of:

- Prison: 5 months
- Special Assessment: \$100
- Supervised Release: 1 year

BARRIGA-PULIDO was sentenced in connection with his guilty plea to illegal re-entry after deportation.

In an Offer of Proof filed by Assistant U.S. Attorney Marcia K. Hurd, the government stated it would have proved at trial the following:

On December 5, 2009, BARRIGA-PULIDO was stopped for speeding by a Montana Highway Patrol trooper in Dawson County near Glendive. BARRIGA-PULIDO admitted that he was not a citizen nor did he have a green card. Dispatch reported to the trooper that BARRIGA-PULIDO had been previously deported.

Through record checks and a fingerprint comparison, it was revealed that BARRIGA-PULIDO is a citizen of Mexico and had been previously removed from the United States on May 22, 2003, at El Paso, Texas. When questioned, he admitted to having previously been removed from the United States and that he had never applied to the Secretary of Homeland Security to reenter the United States.

Further review of Immigration did not reveal any evidence that BARRIGA-PULIDO had received permission from the Attorney General or the Secretary of Homeland Security to reenter the United States after having been removed.

The investigation was a cooperative effort between the Montana Highway Patrol and U.S. Immigration and Customs Enforcement.

MARIA GUADALUPE CORTEZ-AGUILAR

On January 8, 2010, MARIA GUADALUPE CORTEZ-AGUILAR, a 27-year-old citizen of Mexico, was sentenced to a term of:

- Special Assessment: \$100
- Supervised Release: 1 year

CORTEZ-AGUILAR was sentenced in connection with his guilty plea to illegal re-entry after having been deported.

In an Offer of Proof filed by Assistant U.S. Attorney Marcia K. Hurd, the government stated it would have proved at trial the following:

On October 21, 2009, CORTEZ-AGUILAR was arrested for DUI and other violations during a traffic stop in Forsyth by Rosebud County Sheriff's Office deputies. Because CORTEZ-AGUILAR had limited ability to speak the English language, U.S. Immigration and Customs Enforcement was contacted via telephone. When asked by the agent by phone as to her citizenship, CORTEZ-AGUILAR admitted that she was a citizen of Mexico.

A review of record checks and a fingerprint comparison revealed that CORTEZ-AGUILAR had been previously removed from the United States on March 3, 2005, at Otay Mesa, California. When questioned further, CORTEZ-AGUILAR admitted to having been previously removed from the United States.

Further review of immigration records did not reveal any evidence that CORTEZ-AGUILAR had received permission from the Attorney General or the Secretary of Homeland Security to reenter the United States after having been removed.

The investigation was a cooperative effort between the Rosebud County Sheriff's Office and U.S. Immigration and Customs Enforcement.

JAVIER DELORES GONZALEZ-DIAZ

On February 1, 2010, JAVIER DELORES GONZALEZ-DIAZ, a 35-year-old Mexican citizen, was sentenced to a term of:

- Prison: 114 months
- Special Assessment: \$800
- Supervised Release: 3 years

GONZALEZ-DIAZ was sentenced after having been found guilty during a 2-day trial of illegal re-entry of a previously deported alien, identity theft, passport fraud, Social Security number misuse and aggravated identity theft. Assistant U.S. Attorney Bryan R. Whittaker prosecuted the case for the United States.

The investigation was a cooperative effort between the U.S. Customs and Border Protection, the Social Security Administration - Office of Inspector General, the Diplomatic Security Service, the Canada Border Services Agency, and U.S. Immigration

and Customs Enforcement.

ALFREDO JOSE LEO-MARQUEZ

On February 3, 2010, ALFREDO JOSE LEO-MARQUEZ, a 19-year-old citizen of Mexico, was sentenced to a term of:

- Prison: 112 days (time served)
- Supervised Release: 1 year

LEO-MARQUEZ was sentenced in connection with his guilty plea to illegal re-entry after having been deported.

In an Offer of Proof filed by Assistant U.S. Attorney Marcia K. Hurd, the government stated it would have proved at trial the following:

On October 22, 2009, LEO-MARQUEZ entered the lobby of the Rosebud County Sheriff's Office attempting to get his friend's vehicle out of impound and presented a Mexican Identification Card to do so. Deputies contacted an agent with U.S. Immigration and Customs Enforcement to communicate with LEO-MARQUEZ because of his limited knowledge of the English language. When asked as to his citizenship, LEO-MARQUEZ admitted that he was a citizen of Mexico.

Record checks and a fingerprint comparison revealed that LEO-MARQUEZ had been previously removed from the United States on August 26, 2009 at Tacoma, Washington.

Further review of immigration records did not reveal any evidence that LEO-MARQUEZ had received permission from the Attorney General or the Secretary of Homeland Security to reenter the United States after have been removed.

The investigation was a cooperative effort between the Rosebud County Sheriff's Office and U.S. Immigration and Customs Enforcement.

LAURA LOPEZ-CORREON

On March 31, 2010, LAURA LOPEZ-CORREON, a 20-year-old citizen of Mexico, was sentenced to a term of:

- Prison: 4 months, with credit for time served
- Special Assessment: \$100
- Supervised Release: 1 year

LOPEZ-CORREON was sentenced in connection with her guilty plea to illegal re-entry after deportation.

In an Offer of Proof filed by Assistant U.S. Attorney Marcia K. Hurd, the government stated it would have proved at trial the following:

On December 2, 2009, LOPEZ-CORREON was encountered at the Greyhound Bus Station in Billings by a U.S. Customs and Border Protection agent. The agent observed LOPEZ-CORREON standing in the bus station. He asked her in English if she knew when the next bus would arrive. LOPEZ-CORREON did not speak any English. He then asked her where she was from in Spanish and LOPEZ-CORREON stated she was from Mexico. He identified himself as an Immigration Officer and asked LOPEZ-CORREON as to her citizenship. LOPEZ-CORREON stated she was from Mexico. He asked if she had documentation to be or remain in the United States. LOPEZ-CORREON responded "no."

It was determined through record checks and a fingerprint comparison that LOPEZ-CORREON had been previously removed from the United States on July 14, 2009, at Calexico, California. Further review of immigration records did not reveal any evidence that LOPEZ-CORREON had received permission from the Attorney General or the Secretary of Homeland Security to reenter the United States after having been removed.

The investigation was conducted by U.S. Customs and Border Protection.

JAIME LOPEZ-HERNANDEZ

On August 19, 2010, JAIME LOPEZ-HERNANDEZ, a 32-year-old citizen of Mexico, was sentenced to a term of:

- Prison: 24 months
- Supervised Release: 1 year

LOPEZ-HERNANDEZ was sentenced in connection with his guilty plea to illegal re-entry after having been deported.

In an Offer of Proof filed by Assistant U.S. Attorney Marcia K. Hurd, the government stated it would have proved at trial the following:

On May 4, 2010, LOPEZ-HERNANDEZ was arrested and charged with criminal possession of drug paraphernalia and traffic violations in Glendive by a Montana Highway Patrol trooper. The trooper then contacted U.S. Immigration and Customs Enforcement. An agent then contacted LOPEZ-HERNANDEZ, identified himself as an immigration agent and asked LOPEZ-HERNANDEZ as to his citizenship. LOPEZ-HERNANDEZ admitted to being a citizen and national of Mexico illegally present in the United States.

A review of immigration records and fingerprint comparisons revealed that LOPEZ-

HERNANDEZ had had multiple encounters with U.S. Immigration and Customs Enforcement dating back to 1997, with his final removal from the United States on March 3, 2007, through Laredo, Texas. When questioned, he admitted to having been previously removed from the United States and that he had not applied to the Secretary of Homeland Security to reenter the United States.

Further review of Immigration Records found no evidence that LOPEZ-HERNANDEZ had received permission from the Attorney General or the Secretary of Homeland Security to reenter the United States after having been removed.

The investigation was a cooperative effort between the Montana Highway Patrol and U.S. Homeland Security Investigations.

FRANCISCO MALTOS-DOMINGUEZ

On July 9, 2010, FRANCISCO MALTOS-DOMINGUEZ, a 24-year-old citizen of Mexico, was sentenced to a term of:

- Prison: 5 months, followed by deportation
- Supervised Release: 1 year

MALTOS-DOMINGUEZ was sentenced in connection with his guilty plea to illegal re-entry of a deported alien.

In an Offer of Proof filed by Assistant U.S. Attorney Marcia K. Hurd, the government stated it would have proved at trial the following:

On March 7, 2010, MALTOS-DOMINGUEZ was encountered by a Rosebud County Sheriff's deputy near Ashland after being stopped for speeding. The deputy contacted an agent with U.S. Immigration and Customs Enforcement after MALTOS-DOMINGUEZ supplied a Mexico ID for identification.

A review of Immigration Records and fingerprint comparisons found that MALTOS-DOMINGUEZ had been previously removed from the United States on November 10, 2009 at Naco, Arizona, and that he is a citizen of Mexico. When questioned, MALTOS-DOMINGUEZ admitted to being previously removed from the United States.

Further review of Immigration Records Checks did not reveal any evidence that MALTOS-DOMINGUEZ had received permission from the Attorney General or the Secretary of Homeland Security to reenter the United States after having been removed.

The investigation was a cooperative effort between the Rosebud County Sheriff's Office and U.S. Immigration and Customs Enforcement.

JUAN NUNO-RAMIREZ, SR.

On June 24, 2010, JUAN NUNO-RAMIREZ, SR., a 54-year-old resident of Billings, was sentenced to a term of:

- Special Assessment: \$20
- Fine: \$6,000
- Forfeiture: \$16,900

NUNO-RAMIREZ was sentenced in connection with his guilty plea to unlawful employment of aliens.

In an Offer of Proof filed by Assistant U.S. Attorney James E. Seykora, the government stated it would have proved at trial the following:

NUNO-RAMIREZ owns and operates the Guadalajara Restaurants located in Billings, Montana. According to Billings City Government Records, NUNO-RAMIREZ is the sole owner of the restaurants located at 444 South 24th and 17 North 29th Street, and is partnered with his son, Saul, at the restaurant located at 1403 Main Street.

On October 7, 2004, NUNO-RAMIREZ and Salvadora Nuno-De Quiroga, the sister of NUNO-RAMIREZ who is an alien and illegally in the United States, procured a valid immigration document by fraudulent means. NUNO-RAMIREZ and Nuno-De Quiroga met with a federal agent, working in an undercover capacity, for the purpose of ordering the document for future delivery and paying the agent \$2,500 as a down payment for the document they knew to be fraudulently procured. The currency was given to the undercover agent (UCA) by NUNO-RAMIREZ. The currency was maintained for forfeiture.

On December 15, 2004, in Bozeman, the UCA delivered the valid employment authorization document to NUNO-RAMIREZ that was purchased for Nuno-De Quiroga on October 7, 2004. NUNO-RAMIREZ paid the UCA a balance of \$2,500 for the card.

On June 8, 2005, NUNO-RAMIREZ, Nuno-De Quiroga and Guillermo Ruelas-Reelas met with a federal agent working in an undercover for the purpose of obtaining additional valid employment authorization documents from the UCA by fraudulent means. During the meeting, the UCA received \$3,500 from NUNO-RAMIREZ, \$2,500 of which was the balance of \$5,000 owed for a document for Omar Zepeda-Diaz and \$1,000 for a renewal document for Nuno-De Quiroga.

On August 3, 2005, Nuno-De Quiroga procured a valid immigration document by fraudulent means. The document was a renewal for the one purchased on October 7, 2004.

On September 9, 2004, NUNO-RAMIREZ and Cesar Galarza-Nuno procured a valid

immigration document by fraudulent means. NUNO-RAMIREZ and Galarza-Nuno met with a federal agent working in an undercover capacity for the purpose of ordering the document for future delivery and paying the agent \$2,500 as a down payment for the document he knew to be fraudulently procured. The currency was given to the UCA by NUNO-RAMIREZ. The currency was maintained for forfeiture.

On December 2, 2004, in Billings, the UCA delivered the valid employment authorization document to NUNO-RAMIREZ that was purchased for Galarza-Nuno on September 9, 2004. NUNO-RAMIREZ paid the UCA a balance of \$2,500 for the card.

On July 19, 2005, Galarza-Nuno procured a valid immigration document by fraudulent means. NUNO-RAMIREZ and Galarza-Nuno met with a federal agent working in an undercover capacity for the purpose of ordering the document for future delivery and paying the agent \$900. The document is a renewal for the one purchased on September 9, 2004. The UCA received the currency from Galarza-Nuno. The currency was maintained for forfeiture.

On March 10, 2005, NUNO-RAMIREZ and Omar Zepeda-Diaz procured a valid immigration document by fraudulent means. NUNO-RAMIREZ and Zepeda-Diaz met with a federal agent working in an undercover capacity for the purpose of ordering the document for future delivery and paying the agent \$2,500 as a down payment for the document they knew to be fraudulently procured. The currency was given to the UCA by Zepeda-Diaz. The currency was maintained for forfeiture. The total amount of cash subject to forfeiture is \$16,900.

In the years 2005 and 2006, Salvadora Nuno-De Quiroga, an unauthorized alien, was hired and employed by NUNO-RAMIREZ.

In the years 2004, Jose Servellon, an unauthorized alien, was hired and employed by NUNO-RAMIREZ.

The investigation was a cooperative effort between the Drug Enforcement Administration, the U.S. Immigration and Customs Enforcement, the High Intensity Drug Trafficking Area (HIDTA) Task Force, and the Montana Division of Criminal Investigation.

JUAN CARLOS ORELLANA-HERNANDEZ

On November 29, 2010, JUAN CARLOS ORELLANA-HERNANDEZ, a 30-year-old citizen of Honduras, was sentenced to a term of:

- Prison: 155 days (time served)
- Special Assessment: \$100
- Supervised Release: 1 year

ORELLANA-HERNANDEZ was sentenced in connection with his guilty plea to illegal re-entry.

In an Offer of Proof filed by Assistant U.S. Attorney Michael S. Lahr, the government stated it would have proved at trial the following:

In the early morning of June 28, 2010, U.S. Customs and Border Protection Patrol agents arrived in Harlem at the request of a Blaine County Sheriff's deputy. The deputy had encountered ORELLANA-HERNANDEZ in a car on the side of a road near Harlem and requested assistance from the Border Patrol because he was unable to communicate with him. The Border Patrol agents learned ORELLANA-HERNANDEZ's name and that he did not have documentation allowing him to remain in the United States.

A review of immigration records and a fingerprint analysis revealed that ORELLANA-HERNANDEZ, an alien and citizen of Honduras, had previously been deported from the United States on three occasions: February 2, 2000, through the Port of Houston, Texas; on January 23, 2002, through Chandler, Arizona; and on July 31, 2009, through Atlanta, Georgia.

Further review of immigration records found no evidence that ORELLANA-HERNANDEZ ever requested permission from the Attorney General or the Secretary of the Department of Homeland Security to re-enter the United States.

The investigation was a cooperative effort between the Blaine County Sheriff's Office and U.S. Customs and Border Protection.

JOSE RAMON RIVAS-REYES

On April 29, 2010, JOSE RAMON RIVAS-REYES, a 26-year-old resident of Bozeman, was sentenced to a term of:

- Prison: 12 months and 1 day
- Special Assessment: \$100
- Supervised Release: 2 years

RIVAS-REYES was sentenced in connection with his guilty plea to illegal re-entry.

In an Offer of Proof filed by Assistant U.S. Attorney Timothy J. Racicot, the government stated it would have proved at trial the following:

On November 6, 2009, an agent with U.S. Immigration and Customs Enforcement conducted a Criminal Alien Program check at the Gallatin County Detention Center where RIVAS-REYES was being held. The agent ran RIVAS-REYES' fingerprints through two electronic databases and received information that RIVAS-REYES was an

alien and citizen of Mexico who had been deported from the United States on July 24, 2008, through the Port of El Paso, Texas.

When interviewed, RIVAS-REYES admitted that he was a citizen of Mexico and that he had been deported. He said he reentered the United States in approximately November 2008, near El Paso, Texas.

There is no evidence in his immigration file that RIVAS-REYES applied for or received permission to reenter the United States from the Attorney General or his successor, the Secretary of the Department of Homeland Security.

The investigation was conducted by U.S. Immigration and Customs Enforcement.

JESUS JAVIER ROJO-MARQUEZ

On December 17, 2010, JESUS JAVIER ROJO-MARQUEZ, a 37-year-old citizen of Mexico, was sentenced to a term of:

- Prison: 10 months
- Special Assessment: \$100
- Supervised Release: 2 years

ROJO-MARQUEZ was sentenced in connection with his guilty plea to illegal re-entry of a deported alien.

In an Offer of Proof filed by Assistant U.S. Attorney Bryan R. Whittaker, the government stated it would have proved at trial the following:

JESUS JAVIER ROJO-MARQUEZ, an alien, native and citizen of Mexico, and according to his own admission, last entered the United States illegally by crossing the international border near Nogales, Arizona, in or around May 2010.

On July 1, 2010, a Customs and Border Patrol ("CBP") officer encountered ROJO-MARQUEZ at the Sweetgrass, Montana, port of entry after he had attempted to enter Canada from the United States. Canada Border Services Agency officers had refused ROJO-MARQUEZ entry and escorted him to the United States side of the port of entry. ROJO-MARQUEZ was read his Miranda rights, interviewed, and admitted that he was illegally present in the United States, had been previously ordered removed, and that he knew he could not return to the United States.

A CBP officer took ROJO-MARQUEZ'S fingerprints via the IDENT/IAFIS system. The system returned positive hits from several records check systems for both criminal and immigration violations showing that ROJO-MARQUEZ had previously been deported and removed from the United States on or about November 10, 1997; February 15, 2005; August 2, 2005; December 29, 2009; and March 26, 2010.

Warrant of Deportation Forms (I-205) or Verification of Removal Forms (I-296) verify the deportation and removal of ROJO-MARQUEZ on or about the dates specified above. The forms contain ROJO-MARQUEZ'S signature, photograph, and right index fingerprint and specify the port of entry from which the ROJO-MARQUEZ was deported or removed from the United States.

ROJO-MARQUEZ was previously convicted of illegal re-entry in the District of New Mexico on or about March 25, 2010, prior to his deportation on or about March 26, 2010.

A search of immigration records revealed no evidence that ROJO-MARQUEZ ever requested, or obtained permission from the Attorney General of the United States or his successor, the Secretary of the Department of Homeland Security to apply for reentry into the United States.

The investigation was conducted by U.S. Customs and Border Protection.

ENOC VARGAS-VALENZUELA

On March 29, 2010, ENOC VARGAS-VALENZUELA, a 59-year-old citizen of Mexico, was sentenced to a term of:

- Prison: 24 months
- Special Assessment: \$100
- Supervised Release: 1 year

VARGAS-VALENZUELA was sentenced in connection with his guilty plea to illegal re-entry of a removed alien.

In an Offer of Proof filed by Assistant U.S. Attorney Timothy J. Racicot, the government stated it would have proved at trial the following:

On January 13, 2009, a representative from the Missoula County Attorney's Office called U.S. Immigration and Customs Enforcement about VARGAS-VALENZUELA. Missoula County was prosecuting VARGAS-VALENZUELA for failing to register as a sex offender and suspected that he was not authorized to be in the United States.

A set of VARGAS-VALENZUELA' fingerprints were obtained and ran through two computer identification databases. The fingerprints matched the alias Steve Esquivias and were affiliated with an alien field number and an FBI number. VARGAS-VALENZUELA'S record revealed that he is a citizen of Mexico and that he was deported from the United States on April 20, 1977, and September 27, 1977, both times through the Port of Calexico, California.

There is no evidence in his immigration file that VARGAS-VALENZUELA applied for or

received permission to reenter the United States from the Attorney General or his successor, the Secretary of the Department of Homeland Security.

The investigation was conducted by U.S. Immigration and Customs Enforcement.

ZACARIAS RESENDIZ-VAZQUEZ

On October 14, 2010, ZACARIAS RESENDIZ-VAZQUEZ, a citizen of Mexico, was sentenced to a term of:

- Prison: 112 days (time served)
- Special Assessment: \$100

RESENDIZ-VAZQUEZ was sentenced in connection with his guilty plea to illegal re-entry.

In an Offer of Proof filed by Assistant U.S. Attorney Timothy J. Racicot, the government stated it would have proved at trial the following:

On May 23, 2010, the West Yellowstone Police Department informed U.S. Homeland Security Investigations (HSI) agents that a Mexican identification card in the name of RESENDIZ-VAZQUEZ had been found in a parking lot.

On June 25, 2010, HSI agents located RESENDIZ-VAZQUEZ at his residence in West Yellowstone, took him into custody, and transported him to Helena. When questioned, RESENDIZ-VAZQUEZ stated that he is a citizen of Mexico and admitted to having been deported on several prior occasions.

A review of immigration records and a fingerprint analysis revealed that RESENDIZ-VAZQUEZ had been deported from the United States on four prior occasions: August 15, 2006, through the Port of Nogales, Arizona; October 30, 2007, through the Port of El Paso, Texas; February 13, 2008, through the Port of Nogales, Arizona; and December 12, 2008, through the Port of San Ysidro, California.

Further review of immigration records found no evidence that RESENDIZ-VAZQUEZ had applied for or received permission to reenter the United States from either the Attorney General or the Secretary of Homeland Security after having been deported.

The investigation was conducted by U.S. Homeland Security Investigations.

INDIAN COUNTRY - BLACKFEET RESERVATION

TERRENA LYNN BLACKMAN

On March 15, 2010, TERRENA LYNN BLACKMAN, a 25-year-old resident of Browning, was sentenced to a term of:

- Probation: 2 months
- Special Assessment: \$100
- Restitution: \$3,100
- Supervised Release: 2 years

BLACKMAN was sentenced in connection with his guilty plea to theft from a health care facility.

In an Offer of Proof filed by Assistant U.S. Attorney Carl E. Rostad, the government stated it would have proved at trial the following:

The Blackfeet Care Center is an agency of tribal government providing health care services to members of the Blackfeet Tribe, and other qualifying patients, on the Blackfeet Indian Reservation.

BLACKMAN began working for the Care Center in 2007 as the Business Office Assistant. As part of her duties, BLACKMAN was charged with the reconciliation of bank statements and Care Center checks.

Between November 12, 2008, and December 1, 2008, BLACKMAN wrote thirteen checks on the account of the Blackfeet Care Center and forged the signature of her supervisor to negotiate the fraudulent checks into cash. When the fraudulent checks came back into her possession after their negotiation and return to the Care Center by the bank, BLACKMAN shredded most or all of the fraudulent checks.

When confronted by employees of the Care Center, BLACKMAN admitted to the embezzlement and was terminated.

The loss amount to the Care Center was \$3,100.

The investigation was conducted by the Blackfeet Tribal Investigations Internal Affairs.

BRIAN JAMES DAY RIDER

On January 7, 2010, BRIAN JAMES DAY RIDER, a 20-year-old resident of Heart Butte, was sentenced to a term of:

- Prison: 24 months
- Special Assessment: \$100
- Supervised Release: 3 years

DAY RIDER was sentenced in connection with his guilty plea to assault resulting in serious bodily injury.

In an Offer of Proof filed by Assistant U.S. Attorney Vince Carroll, the government stated it would have proved at trial the following:

On May 2, 2008, DAY RIDER and the victim were drinking at another individual's residence in Heart Butte. At some point during the evening, DAY RIDER and the victim got into an argument. DAY RIDER pushed the victim to the ground and repeatedly kicked him in the head.

The victim was taken by ambulance to the Indian Health Services (IHS) Hospital in Browning and was treated for his injuries, which included several fractured bones in his face. The IHS treating physician stated that the victim's injuries constituted "serious bodily injury" under federal law because of "substantial risk of death." The victim was flown to Kalispell for treatment because of the extent of his injuries, and was placed on a ventilator because of his injuries.

When interviewed, DAY RIDER admitted to repeatedly kicking the victim in the head.

The investigation was conducted by the Federal Bureau of Investigation in Browning.

ANTHONY DAVID GALLAGHER HORN

On September 13, 2010, ANTHONY DAVID GALLAGHER HORN, a 45-year-old resident of Browning, was sentenced to a term of:

- Prison: 37 months
- Special Assessment: \$100
- Supervised Release: 3 years

HORN was sentenced in connection with his guilty plea to involuntary manslaughter.

In an Offer of Proof filed by Assistant U.S. Attorney Vince Carroll, the government stated it would have proved at trial the following:

On December 16, 2009, at approximately 8:20 p.m., HORN was driving an extended-cab pickup approximately 4 miles northeast of Browning, on the Blackfeet Indian Reservation, when he drove off the road, hit the edge of a bridge, and flipped the pickup. The pickup landed on its cab, upside down, on the ice in a creek. There were four other occupants in the pickup. One of the occupants, SFL, who was riding in the

extended-cab behind the passenger seat, was crushed by the pickup when it landed upside down. SFL was pronounced dead at the scene. An autopsy determined that SFL died as the result of blunt force injuries to his head and neck that he received in the wreck.

HORN had been drinking prior to the wreck. Shortly after the wreck, HORN's blood alcohol level was 0.18. HORN admitted that he was driving and that he had been drinking.

The investigation was conducted by the Bureau of Indian Affairs.

GENTRY CARL LABUFF

On September 13, 2010, GENTRY CARL LABUFF, a 31-year-old resident of Browning, was sentenced to a term of:

- Prison: 62 months
- Special Assessment: \$100
- Supervised Release: 3 years

LABUFF was sentenced after having been found guilty during at trial of robbery.

Assistant U.S. Attorney Vince Carroll prosecuted the case for the United States.

The investigation was conducted by Federal Bureau of Investigation in Browning.

JAMES KEITH LABUFF

On July 15, 2010, JAMES KEITH LABUFF, a 34-year-old resident of Browning, was sentenced to a term of:

- Prison: 64 months
- Special Assessment: \$100
- Supervised Release: 3 years

LABUFF was sentenced in connection with his guilty plea to robbery/aiding & abetting robbery.

In an Offer of Proof filed by Assistant U.S. Attorney Vince Carroll, the government stated it would have proved at trial the following:

On October 25, 2008, the Subway restaurant in Browning, which is within the exterior boundaries of the Blackfeet Indian Reservation, was robbed by an individual wearing a hooded sweatshirt and holding a knife. LABUFF and another individual were seen in the vicinity of the Subway shortly before the robbery. One of the workers saw LABUFF

walk by the drive-thru window and look in at the cash register. The worker later saw LABUFF out back of the Subway acting as a kind of look-out. The other individual came in shortly before the robbery and ordered a sandwich but left without the sandwich.

This individual, later identified by one of the Subway workers as the individual who ordered the sandwich, entered the rear door of the Subway holding a knife. One of the workers, after seeing the individual with the knife, ran and entered the restroom and locked the door. The individual then demanded that the other worker give him the money in the cash register. That worker told the individual to get the money himself and then ran from the restaurant.

LABUFF and the other individual were soon arrested near the restaurant. The individual had 34-one dollar bills, 2-five dollar bills, 2-ten dollar bills, 7-twenty dollar bills, 17-quarters, and 50-pennies on him. LABUFF had 12-one dollar bills and 6-five dollar bills on him. Arresting officers took photographs of LABUFF and the other individual and showed them to the workers at the restaurant. The workers identified them as the individuals who robbed the restaurant. LABUFF later admitted that he was involved in the robbery.

After the robbery, LABUFF's cousin stated that she overheard LABUFF and the other individual talking about the robbery, namely that they robbed the Subway.

The investigation was conducted by the Federal Bureau of Investigation.

R-LYNN DEAN LITTLEDOG

On January 11, 2010, R-LYNN DEAN LITTLEDOG, a 22-year-old resident of Browning, was sentenced to a term of:

- Prison: 43 months
- Special Assessment: \$100
- Supervised Release: 5 years

LITTLEDOG was sentenced in connection with his guilty plea to abusive sexual contact.

In an Offer of Proof filed by Assistant U.S. Attorney Vince Carroll, the government stated it would have proved at trial the following:

On June 13, 2008, a five-year-old victim and the victim's mother reported that the child had been sexually abused by LITTLEDOG.

On August 25, 2008, LITTLEDOG was interviewed and denied touching the victim in a sexual manner and agreed to take a polygraph examination.

On December 17, 2008, following a polygraph exam, LITTLED OG admitted to rubbing with his hand the five-year-old victim's vagina (over the victim's clothes), and that he did this in a sexual manner. The incident took place at LITTLED OG'S mother's residence in Browning, which is within the exterior boundaries of the Blackfeet Indian Reservation. The incident took place sometime in the summer or fall of 2007.

The investigation was conducted by the Federal Bureau of Investigation in Browning.

**DONNA MAE LITTLE DOG and CLETUS RUNNING WOLF
(LITTLE DOG & RUNNING WOLF)**

On July 7, 2010, DONNA MAE LITTLE DOG, age 49, and CLETUS RUNNING WOLF, age 52, residents of Browning, appeared for sentencing.

LITTLE DOG was sentenced to a term of:

- Prison: 14 months
- Special Assessment: \$100
- Restitution: \$75,442.79
- Supervised Release: 3 years

RUNNING WOLF was sentenced to a term of:

- Prison: 12 months
- Special Assessment: \$100
- Restitution: \$56,120
- Supervised Release: 3 years

LITTLE DOG was sentenced in connection with her guilty plea to theft from an Indian tribal organization and RUNNING WOLF was sentenced in connection with his guilty plea to aiding and abetting in a theft from an Indian tribal organization.

In an Offer of Proof filed by Assistant U.S. Attorney Carl E. Rostad, the government stated it would have proved at trial the following:

On October 16, 2008, LITTLE DOG, who had been the payroll clerk for the Blackfeet Housing Authority (BHA) for approximately fifteen years, was confronted by her supervisor about payroll checks she issued to RUNNING WOLF. According to the Executive Director of the BHA, RUNNING WOLF had been employed by the BHA for approximately six weeks in 2007 and not at all in 2008, despite a payroll summary that indicated a gross amount of \$37,640 was paid to RUNNING WOLF in 2008.

Subsequent investigation determined that RUNNING WOLF was issued payroll checks whose gross amounts totaled \$23,094.44 in 2005; \$29,489.86 in 2006; \$34,558.72 in 2007, and \$36,858.09 in 2008. The difference between OIG and BHA figures for 2008

was the result of Blackfeet Housing stopping payment on the last check after discovering the scheme. LITTLE DOG denied, however, that any monies were fraudulently abstracted by her from the accounts of the BHA in 2005 and 2006.

In May of 2009, LITTLE DOG was interviewed by law enforcement and admitted that she issued fraudulent payroll checks to RUNNING WOLF throughout 2007 and 2008. According to LITTLE DOG, RUNNING WOLF worked for Blackfeet Housing only for about a week in 2007 and not at all in 2008. LITTLE DOG admitted that she shared the proceeds of each of these fraudulent checks with RUNNING WOLF. LITTLE DOG also admitted that she claimed fraudulent overtime hours on her time cards, after they had been signed by her supervisor, which resulted in fraudulent payroll payments totaling \$5,541.22 in 2008 and \$107.84 in 2007, that she was not entitled to receive. LITTLE DOG admitted that she forged the signatures of Blackfeet Housing supervisors on time sheets to justify the paychecks to RUNNING WOLF in addition to forging the signatures of the executive director and general manager on the resulting paychecks.

RUNNING WOLF was also interviewed and denied categorically that he had knowledge that LITTLE DOG was issuing payroll checks in his name. RUNNING WOLF confirmed that he only worked half a day in 2007 and not at all in 2008. He denied that he ever let Donna cash his checks.

During the investigation, however, bar owners, store owners and bankers confirmed that RUNNING WOLF negotiated many of the checks himself or called ahead to authorize the transaction of the checks by LITTLE DOG.

Based upon the reviews by tribal and federal authorities, LITTLE DOG embezzled \$112,091, primarily through the use of fraudulent checks made payable to RUNNING WOLF.

LITTLE DOG admitted to embezzling at least \$71,416.80.

The investigation was a cooperative effort between the Blackfeet Tribe's Internal Affairs and the U.S. Department of Housing and Urban Development - Office of Inspector General.

JOHN JOSEPH MONROE

On December 1, 2010, JOHN JOSEPH MONROE, a 36-year-old resident of Browning, was sentenced to a term of:

- Prison: 30 months
- Special Assessment: \$100
- Supervised Release: 3 years

MONROE was sentenced in connection with his guilty plea to conspiracy to possess

with intent to distribute methamphetamine.

In an Offer of Proof filed by Assistant U.S. Attorney Vince Carroll, the government stated it would have proved at trial the following:

On January 17, 2009, a confidential informant ("CI") of the Blackfeet Safe Trails Drug Task Force ("Task Force") performed controlled purchases of methamphetamine (approximately 2 grams) from MONROE. The purchase occurred at MONROE's residence in Seville, which is within the exterior boundaries of the Blackfeet Indian Reservation.

After a field test of the substances indicated that they were methamphetamine, the substances were sent to the DEA Lab in San Francisco where they were confirmed to be methamphetamine.

On March 26, 2009, MONROE was pulled over during a traffic stop. The passenger in the vehicle voluntarily handed the officers a bag containing approximately 2 grams of meth and told the officers that the meth belonged to MONROE. MONROE, when asked, confirmed that the meth was his.

The investigation was a cooperative effort between the the Blackfeet Safe Trails Drug Task Force and the Federal Bureau of Investigation.

BRYCE HAMILTON NEWBREAST

On October 18, 2010, BRYCE HAMILTON NEWBREAST, a 21-year-old resident of Browning, was sentenced to a term of:

- Prison: 120 months
- Special Assessment: \$100
- Supervised Release: 10 years

NEWBREAST was sentenced in connection with his guilty plea to sexual abuse.

In an Offer of Proof filed by Assistant U.S. Attorney Vince Carroll, the government stated it would have proved at trial the following:

In July of 2008, the FBI received information that NEWBREAST had sexually abused his 6-year-old niece sometime in June or July 2008. NEWBREAST's niece (the victim) was interviewed on July 31, 2008, and indicated that NEWBREAST had touched her "front" and "back" parts. The victim was then taken to the hospital in Browning where she was physically examined on August 1, 2008. No physical evidence of abuse was found.

NEWBREAST was eventually located and interviewed on May 12, 2009, and initially

denied the allegation. On October 29, 2009, NEWBREAST was again interviewed and admitted to touching the victim's vagina with his hand on one occasion. The residence where this incident took place is located in Browning, within the exterior boundaries of the Blackfeet Indian Reservation.

The investigation was conducted by the Federal Bureau of Investigation.

JOURNEY MARIE NO RUNNER

On June 10, 2010, JOURNEY MARIE NO RUNNER, a 26-year-old resident of Browning, was sentenced to a term of:

- Prison: 63 months
- Special Assessment: \$300
- Restitution: \$447,047.94
- Supervised Release: 3 years

NO RUNNER was sentenced in connection with her guilty plea to involuntary manslaughter and assault resulting in serious bodily injury.

On June 3, 2007, at approximately 10:00 p.m., NO RUNNER was alone and driving a 1995 Chevrolet Tahoe traveling west on Hwy 2 between Browning and East Glacier. NO RUNNER rear-ended a flatbed trailer being towed by a truck. The driver of the truck indicated that NO RUNNER "tapped" or bumped the trailer he was towing, backed off, and then began passing the truck and trailer in a no passing zone. The driver of the truck and several other witnesses stated that NO RUNNER, while passing the truck, was in the wrong lane and hit another vehicle head on. There were six people in the other vehicle. Two of the occupants received injuries that constituted serious bodily injury, with one of the individual's injuries leading to her being placed on life-support. She was later taken off life support and pronounced dead on June 5, 2008.

Witnesses to the incident would have testified that NO RUNNER drove into the oncoming traffic lane and hit the other vehicle head-on. Some of the witnesses also stated that NO RUNNER did not attempt to break, slow down, or miss the other vehicle.

Testimony would have shown that NO RUNNER had been drinking that day. Her BAC level was approximately 0.09 based on the test done at the Blackfeet Community Indian Health Service hospital in Browning. NO RUNNER also received extensive injuries in the crash, including severe head injuries, a fractured jaw, nose, foot, and pelvis. As a result of her head injuries, NO RUNNER did not recall any details of the crash. A forensic psychologist performed an evaluation on NO RUNNER and confirmed that NO RUNNER's memory of the above events was "essentially nonexistent," and that NO RUNNER's lack of memory is genuine.

The investigation was conducted by the Federal Bureau of Investigation.

AARON JAMES PEPION

On January 21, 2010, AARON JAMES PEPION, a 29-year-old resident of Browning, was sentenced to a term of:

- Prison: 30 months
- Special Assessment: \$100
- Supervised Release: 3 years

PEPION was sentenced in connection with his guilty plea to sexual abuse of a minor.

In an Offer of Proof filed by Assistant U.S. Attorney Vince Carroll, the government stated it would have proved at trial the following:

On July 27, 2009, PEPION was interviewed regarding allegations that he had engaged in sexual acts with a 14-year-old female. PEPION admitted that he had romantically kissed the victim, fondled her breasts, and had inserted his finger into her vaginal opening. He stated that he did these things in approximately April of 2009 at the victim's residence, which is located on the Blackfeet Indian Reservation.

The victim was interviewed and she confirmed PEPION'S statement.

The investigation was conducted by the Federal Bureau of Investigation in Browning.

DONALD CARL SALOIS

On November 8, 2010, DONALD CARL SALOIS, a 46-year-old resident of Browning, was sentenced to a term of:

- Prison: 24 months
- Special Assessment: \$100
- Supervised Release: life

SALOIS was sentenced in connection with his guilty plea to failure to register as a sexual offender.

In an Offer of Proof filed by Assistant U.S. Attorney Vince Carroll, the government stated it would have proved at trial the following:

On October 20, 1993, SALOIS, an enrolled member of the Blackfeet Tribe, was convicted in Yellowstone County of sexual assault and therefore required to register as a sexual offender.

SALOIS was aware of his requirement to register as a sexual offender and had completed the Sexual Violent Offender Registration (SVOR) form several times over the

years when he had moved to different addresses, the most current of which was on March 23, 2009, at the Glacier County Sheriff's Office.

On April 19, 2010, a Deputy U.S. Marshal (DUSM) received a report from the Glacier County Sheriff's Office that it had received information from the Browning FBI Office that SALOIS might be in violation of his registration after he was arrested on the Blackfeet Reservation and indicated that his address was in Browning, however the address he gave was not the same as his registered address.

On May 6, 2010, the DUSM spoke with the owner of the apartment who confirmed SALOIS had moved into the apartment on January 14, 2010, and was living at the apartment until his arrest on February 26, 2010. The owner of the apartment provided the DUSM with a copy of a letter and copies of the payroll deduction that was used to pay the rent for the apartment where SALOIS had been currently living.

The investigation was conducted by the U.S. Marshals Service - Great Falls.

WARREN JAMES TROMBLEY

On August 9, 2010, WARREN JAMES TROMBLEY, a 38-year-old resident of Browning, was sentenced to a term of:

- Prison: 86 months
- Special Assessment: \$100
- Supervised Release: 3 years

TROMBLEY was sentenced in connection with his guilty plea to incest.

In an Offer of Proof filed by Assistant U.S. Attorney Vince Carroll, the government stated it would have proved at trial the following:

T.T., the 18-year-old victim, resided with TROMBLEY (who is the victim's biological father) and TROMBLEY's girlfriend, at a residence within the exterior boundaries of the Blackfeet Indian Reservation.

On January 1, 2009, the residence was occupied by TROMBLEY, TROMBLEY's girlfriend, the victim, and a male friend (J.W.). On that day, TROMBLEY's girlfriend was preparing to leave for Great Falls when she saw the victim asleep in a bedroom of the residence. TROMBLEY's girlfriend also saw TROMBLEY lying on another bed in the same room with the victim and noticed TROMBLEY was fully clothed. TROMBLEY told his girlfriend that he "just wanted to sleep," and asked her to lock the door behind her. TROMBLEY also asked her to instruct J.W. not to let anyone into the residence. TROMBLEY's girlfriend recalls that J.W. was in the living room of the house.

TROMBLEY's girlfriend left the residence but returned shortly because she had

forgotten something. She knocked on the door until J.W. let her in, and then she went directly to her daughter's bedroom, the same room she had earlier seen TROMBLEY and the victim in. She opened the door, which she had to force open, and saw TROMBLEY was now in bed with the victim. She stated the victim was lying on her side with her back to TROMBLEY and the front of TROMBLEY's body was pressed up against the back of the victim. TROMBLEY's girlfriend stated TROMBLEY was moving his hips in a motion that made her believe he was having sexual intercourse with the victim. TROMBLEY's girlfriend said she thought TROMBLEY was naked because she saw his clothes on the floor next to the bed, including his pants and underwear. TROMBLEY immediately yelled at his girlfriend to close the door and leave him alone. TROMBLEY's girlfriend went to the telephone and called the police.

The victim was transported to the Indian Health Services Hospital in Browning following the incident. DNA tests were performed and TROMBLEY's semen was found in the victim's vagina.

The investigation was conducted by the Federal Bureau of Investigation.

INDIAN COUNTRY - CROW RESERVATION

KASSIE ANITA BIRDINGROUND

On November 17, 2010, KASSIE ANITA BIRDINGROUND, a 19-year-old resident of Crow Agency, was sentenced to a term of:

- Prison: 37 months
- Special Assessment: \$200
- Restitution: \$20,793.84
- Supervised Release: 3 years

BIRDINGROUND was sentenced in connection with her guilty plea to assault with a dangerous weapon and assault resulting in serious bodily injury.

In an Offer of Proof filed by Assistant U.S. Attorney Lori Harper Suek, the government stated it would have proved at trial the following:

During the early morning hours of July 11, 2009, a female individual was in a car that was broken down on the side of the road when she was picked up by BIRDINGROUND and two of BIRDINGROUND's friends. All were drinking and the female individual (the victim) was very drunk. At some point, while driving around Lodge Grass, which is within the exterior boundaries of the Crow Indian Reservation, BIRDINGROUND stopped the car and pulled the victim out of the car. BIRDINGROUND punched the victim, kicked her, beat her with the victim's belt, and then beat her with a wooden stick. BIRDINGROUND's friends hit and kicked the victim as well. They then left the victim at

the scene of the assault.

BIRDINGROUND was questioned twice. During the second interview, she admitted that she struck the victim with a wooden stick and “probably broke her arm.” When questioned, BIRDINGROUND’s friends admitted to limited involvement in the assault and both stated that BIRDINGROUND repeatedly struck the victim with a wooden stick on her head and body.

The victim suffered a broken arm and multiple deep lacerations to her head requiring stitches and staples to close the wounds. She suffered severe facial trauma and a nasal fracture. These injuries were caused by the wooden stick.

The investigation was a cooperative effort between the Bureau of Indian Affairs and the Federal Bureau of Investigation.

KIM BRIEN

On December 29, 2010, KIM BRIEN, a 35-year-old resident of Crow Agency, appeared for sentencing. BRIEN was sentenced to a term of:

- Prison: 30 months
- Special Assessment: \$100
- Supervised Release: 4 years

BRIEN was sentenced in connection with her guilty plea to conspiracy to distribute methamphetamine.

In an Offer of Proof filed by Assistant U.S. Attorney Lori H. Suek, the government stated it would have proved at trial the following:

On three separate occasions, twice in October 2008, and once in November 2008, on the Crow Indian Reservation and in the Hardin area, a Bureau of Indian Affairs (BIA) confidential source purchased meth from BRIEN. The three sales were for .78 grams of meth, 3 grams of meth, and .48 grams of meth.

When interviewed, BRIEN admitted that she had been distributing meth for about six or seven months, and she also admitted that she obtained one-quarter ounce of meth at least once per week. BRIEN further admitted that she helped weigh and package multiple ounce quantities of meth on at least two occasions.

The investigation was conducted by the Bureau of Indian Affairs.

RALPH DELBERT BROWN, III

On March 31, 2010, RALPH DELBERT BROWN, III, a 27-year-old resident of Crow

Agency, was sentenced to a term of:

- Prison: 24 months
- Special Assessment: \$100
- Restitution: to be determined within 90 days
- Supervised Release: lifetime

BROWN was sentenced in connection with his guilty plea to sexual abuse of a minor.

In an Offer of Proof filed by Assistant U.S. Attorney Lori Harper Suek, the government stated it would have proved at trial the following:

On February 13, 2009, during an interview of a juvenile male charged with sexual assault, he disclosed that he had been sexually abused by BROWN from 2004 to 2007, from when he was 12 to 15-years-old.

When interviewed by law enforcement, BROWN admitted that he had sexually abused the juvenile male from 2004 to 2007. The abuse occurred at a house in Black Lodge, on the Crow Indian Reservation.

The investigation was a cooperative effort between the Federal Bureau of Investigation and the Bureau of Indian Affairs.

ARMUND GEORGE BULL TAIL

On August 12, 2010, ARMUND GEORGE BULL TAIL, a 21-year-old resident of Crow Agency, was sentenced to a term of:

- Prison: 50 months
- Special Assessment: \$100
- Supervised Release: 3 years

BULL TAIL was sentenced in connection with his guilty plea to assault with a dangerous weapon/aiding and abetting.

In an Offer of Proof filed by Assistant U.S. Attorney Lori Harper Suek, the government stated it would have proved at trial the following:

During the early morning hours of May 28, 2009, the victim, BULL TAIL, and his juvenile brother were drinking at the victim's house in Crow Agency, which is within the exterior boundaries of the Crow Indian Reservation. The victim had given the brothers a ride earlier in the evening and brought them to his house. The brothers needed a ride to Billings and the victim agreed to give them a ride the next day.

At some point, everyone except the victim, BULL TAIL, and his brother left the house.

The victim, who had won quite a bit of money at the poker machines earlier in the night, gave his mother the keys to his car and his money (his parents lived in a nearby house), and then went into his house and passed out.

At some point, one of the brothers tried to nudge him awake. Then BULL TAIL struck him with a wooden bar stool. The victim tried to cover himself to protect himself as BULL TAIL's brother grabbed another stool and hit him. One of the first hits was to the victim's face and, after that, he could not see. He felt both brothers beating him and then one of the brothers broke a bottle over his head. During this time, he was screaming for help and he heard them say, "let's just kill him." They then beat him some more and then searched his pockets and the house.

After the assault, the victim crawled to his parent's house because he was worried that BULL TAIL and his brother would hurt his parents.

The victim was airlifted to Billings with serious and numerous facial fractures and lacerations. He was breathing through a tracheotomy tube when interviewed the first time and had to write answers to questions.

BULL TAIL was interviewed. After lying several times about not being involved, he finally admitted that he struck the victim with a stool. He said he did so because the victim was fighting with his little brother and winning the fight. He then said that his little brother "went too far" in beating up the victim.

The investigation was a cooperative effort between the Federal Bureau of Investigation and the Bureau of Indian Affairs.

SKY MIGUEL LITTLE COYOTE

On July 14, 2010, SKY MIGUEL LITTLE COYOTE, an 18-year-old resident of Ashland, was sentenced to a term of:

- Prison: 36 months
- Special Assessment: \$100
- Supervised Release: 3 years

LITTLE COYOTE was sentenced in connection with his guilty plea to assault of a federal officer.

In an Offer of Proof filed by Assistant U.S. Attorney Lori Harper Suek, the government stated it would have proved at trial the following:

On the night of November 26, 2009, Bureau of Indian Affairs law enforcement was called about a fight outside of the LITTLE COYOTE residence in Ashland. The initial report was that LITTLE COYOTE was drunk, he was kicking a door in, and he had

assaulted his girlfriend.

An officer responded to the house and was told by LITTLE COYOTE's mother that her son had kicked in the door and then ran off in the direction of the river with a rifle. The officer drove to where LITTLE COYOTE had last been seen. Another officer also responded. The first officer caught up with LITTLE COYOTE first. He was still in his police car as he approached LITTLE COYOTE. LITTLE COYOTE pointed the rifle at him. The officer drew his gun and leaned down in his vehicle while notifying dispatch. Meanwhile, the other officer was on the opposite side of LITTLE COYOTE and saw LITTLE COYOTE pointing the rifle at the officer. He told LITTLE COYOTE to drop the rifle several times. LITTLE COYOTE ignored his commands and then turned and pointed the rifle at the officer. The officer told LITTLE COYOTE to drop the rifle or he would shoot LITTLE COYOTE. Finally, LITTLE COYOTE threw the rifle down and was taken into custody.

Both the officers were on duty and in their uniforms and police vehicles.

The investigation was a cooperative effort between the Bureau of Indian Affairs and the Federal Bureau of Investigation.

RICHARD EUGENE LONEBEAR

On December 2, 2010, RICHARD EUGENE LONEBEAR, a 39-year-old resident of Lane Deer, was sentenced to a term of:

- Prison: 38 months
- Special Assessment: \$100
- Supervised Release: Life

LONEBEAR was sentenced in connection with his guilty plea to abusive sexual contact.

In an Offer of Proof filed by Assistant U.S. Attorney Lori Harper Suek, the government stated it would have proved at trial the following:

On the morning of August 12, 2009, the victim, age 5, was with her mother at LONEBEAR and his wife's house in Lane Deer. LONEBEAR's wife was babysitting the victim while the victim's mother slept on a couch at the house. At some point, LONEBEAR's wife left the house.

The victim woke her mother up by jumping on her legs. While driving home that day, the victim told her mom that LONEBEAR tried to put his hand down her pants. The victim was examined by a doctor and told him the same thing. The victim also told another doctor the same thing which was videotaped.

When interviewed, LONEBEAR initially denied any sexual contact but finally admitted

that he touched the victim under her pants, "skin to skin" on the top part of her vaginal area. He was very specific that he stopped himself and did not put his hand all the way down into her vaginal area. He said that he touched the victim because her mom was sleeping on the couch in a mini skirt and she was not wearing underwear.

The investigation was a cooperative effort between the Federal Bureau of Investigation and the Bureau of Indian Affairs.

DARIN SETH OLEYTE

On May 19, 2010, DARIN SETH OLEYTE, a 19-year-old resident of Crow Agency, was sentenced to a term of:

- Prison: 26 months
- Special Assessment: \$100
- Supervised Release: 6 years

OLEYTE was sentenced in connection with his guilty plea to sexual abuse of a minor.

In an Offer of Proof filed by Assistant U.S. Attorney Lori Harper Suek, the government stated it would have proved at trial the following:

On July 14, 2009, at about 5:30 a.m., the minor victim was found passed out, with her pants down, laying near the Crow Agency School. She was discovered by two walkers walking around the school's track. The walkers called the police and the minor victim was taken to the hospital. Her BAC was .377.

The minor victim had been drinking at the school after midnight with her friend and three boys, one of them was OLEYTE. OLEYTE was flirting with the victim and, at some point, they separated from the group. He admitted that he had sexual intercourse with the minor victim, and he admitted that she was very drunk. He and his friends, though, claim that she was walking and talking when they left the school, although she was found laying face down, passed out, with her pants down. Her friend looked for her before she went home but could not find her.

The investigation was a cooperative effort between the Federal Bureau of Investigation and the Bureau of Indian Affairs.

ERNEST WILLIAM PELTZER

On January 27, 2010, ERNEST WILLIAM PELTZER, a 49-year-old resident of Lodge Grass, was sentenced to a term of:

- Prison: 135 months
- Special Assessment: \$100

- Supervised Release: 5 years

PELTZER was sentenced in connection with his guilty plea to aggravated sexual abuse of a minor.

In an Offer of Proof filed by Assistant U.S. Attorney Lori Harper Suek, the government stated it would have proved at trial the following:

On April 1, 2008, a female individual was interviewed on an unrelated matter. During the interview, she disclosed that she had been sexually abused by PELTZER when she was approximately 11-years-old. She stated that in February or March of 2003, while she was in foster care in Lodge Grass, PELTZER, who was a family friend of the foster care parents, digitally penetrated her vagina with his finger.

On April 28, 2009, PELTZER was interviewed and admitted that he sexually abused the victim by digitally penetrating her vagina.

The investigation was a cooperative effort between the Federal Bureau of Investigation and the Bureau of Indian Affairs.

KATRINDA SARAH PLAIN BULL

On November 18, 2010, KATRINDA SARAH PLAIN BULL, a 28-year-old resident of Lodge Grass, was sentenced to a term of:

- Prison: 36 months
- Special Assessment: \$100
- Restitution: \$120
- Supervised Release: 3 years

PLAIN BULL was sentenced in connection with her guilty plea to robbery/aiding and abetting.

In an Offer of Proof filed by Assistant U.S. Attorney Lori Harper Suek, the government stated it would have proved at trial the following:

During the afternoon of December 12, 2009, Otis Yellow Mule and PLAIN BULL knocked on the door of the victim's house in Wyola, which is within the boundaries of the Crow Indian Reservation, wanting to come inside. The victim refused to let them in her house, so Yellow Mule sprayed the victim with pepper spray while PLAIN BULL pushed her way into the victim's house. The victim fled out of the back door of her house and ran to the home of a neighbor.

Yellow Mule and PLAIN BULL stole the victim's purse and a box containing prescription

medications. They then drove away from her house, past the neighbor's house, and yelled obscenities as they drove by.

Yellow Mule and PLAIN BULL were arrested that same day by Bureau of Indian Affairs police. The police recovered a pepper spray canister. Items belonging to the victim were subsequently recovered from the home of PLAIN BULL's mother, where Yellow Mule and PLAIN BULL stopped immediately after the robbery. Finally, ATM transaction records and witnesses confirm that Yellow Mule attempted to use the victim's debit card to withdraw cash from her bank account at a gas station in Lodge Grass shortly after the robbery. The debit card was found in the car that Yellow Mule and PLAIN BULL were driving prior to their arrest.

Yellow Mule pled guilty to federal charges and has been sentenced.

The investigation was a cooperative effort between the Bureau of Indian Affairs and the Federal Bureau of Investigation.

JOHN JOSEPH TAKES HORSE

On January 14, 2010, JOHN JOSEPH TAKES HORSE, a 20-year-old resident of Lodge Grass, was sentenced to a term of:

- Prison: 34 months
- Special Assessment: \$100
- Restitution: \$10,000
- Supervised Release: 3 years

TAKES HORSE was sentenced in connection with his guilty plea to involuntary manslaughter.

In an Offer of Proof filed by Assistant U.S. Attorney Lori Harper Suek, the government stated it would have proved at trial the following:

On February 20, 2009, right after midnight, the Bureau of Indian Affairs was contacted about a fatality accident near Lodge Grass on the Crow Indian Reservation. Montana Highway Patrol also responded to the scene. The deceased female victim, A.R., was lying on the ground by the car. The driver, TAKES HORSE, as well as the other two passengers had already fled the scene.

After interviewing TAKES HORSE and the surviving passengers, the investigators learned that all occupants of the car had been drinking. TAKES HORSE reached down to change the radio station and swerved, causing the crash. His blood alcohol four hours after the accident was .12.

A.R. died at the scene and one of the other passengers suffered neck and back

fractures.

The Montana Highway Patrol concluded that alcohol and speed were the causes of the crash.

The investigation was a cooperative effort between the Federal Bureau of Investigation, the Bureau of Indian Affairs and the Montana Highway Patrol.

ERIC TRAVIS TURNSPLENTY

On May 5, 2010, ERIC TRAVIS TURNSPLENTY, a 33-year-old resident of Pryor, was sentenced to a term of:

- Prison: 5 months and 7 days (time served)
- Community Confinement: 6 months
- Special Assessment: \$100
- Supervised Release: 3 years

TURNSPLENTY was sentenced in connection with his guilty plea to threatening a federal officer.

In an Offer of Proof filed by Assistant U.S. Attorney Lori Harper Suek, the government stated it would have proved at trial the following:

On July 7, 2009, TURNSPLENTY barricaded himself in his parent's house in Pryor. Earlier, a BIA officer and a Crow tribal officer tried to arrest TURNSPLENTY. During the standoff that lasted about 5 hours, TURNSPLENTY repeatedly threatened to kill both officers. Also during the standoff, TURNSPLENTY called the Big Horn County Sheriff's Office and told them that he intended to shoot the officers if they attempted to enter his house – he specifically said he would “put a hole” in the officers if they entered or attempted to enter his house. He stated that he had guns in the house and he would use a gun if the officers attempted to enter. Eventually gas was used to smoke TURNSPLENTY out of the house and the standoff ended.

TURNSPLENTY was interviewed. He admitted that he threatened to “put a hole” in the officers if they attempted to enter his house. He admitted that he knew they were officers, and he specifically admitted that he knew they were BIA officers (only one is a BIA officer). He said that he threatened the officers because he did not want to go to jail.

The investigation was a cooperative effort between the Federal Bureau of Investigation and the Bureau of Indian Affairs.

BRITTANY LEIGH SMITH

On November 3, 2010, BRITTANY LEIGH SMITH, a 22-year-old resident of Garryowen, was sentenced to a term of:

- Prison: 30 months
- Special Assessment: \$100
- Restitution: \$17,911.56
- Supervised Release: 3 years

SMITH was sentenced after a federal district court trial in which she was found guilty of assault resulting in serious bodily injury. Assistant U.S. Attorney Lori H. Suek prosecuted the case for the United States.

The investigation was a cooperative effort between the Federal Bureau of Investigation and the Bureau of Indian Affairs.

HARVEST DAWN WHITE

On October 13, 2010, HARVEST DAWN WHITE, a 36-year-old resident of Lodge Grass, was sentenced to a term of:

- Prison: 21 months
- Special Assessment: \$100
- Restitution: \$30,652.63
- Supervised Release: 3 years

WHITE was sentenced in connection with his guilty plea to negligent vehicular assault.

In an Offer of Proof filed by Assistant U.S. Attorney Lori Suek and Special Assistant U.S. Attorney Diane Cabrera, the government stated it would have proved at trial the following:

On November 26, 2009, law enforcement received a report of a drunk driver coming from Wyoming onto the Crow Reservation. Soon after receiving the report, an officer observed a car matching the description. The officer tried to follow the car but it fled and crashed near Lodge Grass. The officer observed WHITE crawl out of the driver's side door of the car. There were two passengers in the car, one seriously hurt. It was later determined that the female passenger had suffered a dislocated hip. WHITE's BAC was .297 when taken at the hospital in Crow Agency.

Both passengers told officers at the scene that WHITE was driving. WHITE also told an officer that he should have gone "faster, to make the jump."

The investigation was conducted by the Bureau of Indian Affairs.

RAYMOND OTTO WHITE

On December 20, 2010, RAYMOND OTTO WHITE, a 21-year-old resident of Crow Agency, was sentenced to a term of:

- Prison: 18 months
- Special Assessment: \$100
- Restitution: \$810
- Supervised Release: 3 years

WHITE was sentenced in connection with his guilty plea to aiding and abetting burglary.

In an Offer of Proof filed by Assistant U.S. Attorney Lori Harper Suek, the government stated it would have proved at trial the following:

On the morning of February 18, 2010, BIA law enforcement received a burglary complaint from St. Dennis Catholic Church. There is a residence on the property occupied by a nun. The officers learned that the nun's residence was burglarized sometime the previous evening and approximately \$500 in cash from bingo and three personal checks were stolen.

After investigating at the scene, BIA law enforcement learned that the burglar entered the residence through the northeast basement window – the frame of the window appeared to have been pried open with a tool and a piece of the window frame was lying on the ground outside of the window. There were also some tracks in the snow near the east side of the residence.

After conducting interviews, BIA law enforcement learned that WHITE went to the nun's house the night before asking the nun for a ride to the casino. She refused to give WHITE a ride and went to bed. WHITE admitted in an interview that he asked the nun for a ride in order to get her out of the house so that Yellowmule could get into the residence and steal the money. Both WHITE and Yellowmule admit that they planned the burglary, but both claim the other actually broke into the house.

Yellowmule's tennis shoes were found in the house in the basement under a blanket. Also, the day after the burglary, February 19, 2010, Yellowmule bonded her boyfriend out of jail using \$500 in cash. Also, a police officer saw WHITE driving around the area of the church on the night of the burglary.

Yellowmule has pled guilty to a federal charge and has been sentenced.

The investigation was conducted by the Bureau of Indian Affairs.

OTIS TAYLOR YELLOW MULE

On June 25, 2010, OTIS TAYLOR YELLOW MULE, a 23-year-old resident of Wyola, was sentenced to a term of:

- Prison: 78 months
- Special Assessment: \$100
- Supervised Release: 3 years

YELLOW MULE was sentenced in connection with his guilty plea to robbery.

During the afternoon of December 12, 2009, YELLOW MULE and P.B., knocked on the door of the victim's house in Wyola, which is within the boundaries of the Crow Indian Reservation, wanting to come inside. The victim refused to let them into her house, so YELLOW MULE sprayed the victim with pepper spray while P.B. pushed her way into the victim's house. The victim fled out the back door of her house and ran to the home of a neighbor.

YELLOW MULE and P.B. stole the victim's purse and a box containing prescription medications. They then drove away from the victim's house, past the neighbor's house, and yelled obscenities as they drove by.

YELLOW MULE and P.B. were arrested that same day by Bureau of Indian Affairs police. The police recovered a pepper spray canister. Items belonging to the victim were subsequently recovered from the home of P.B.'s mother, where YELLOW MULE and P.B. stopped immediately after the robbery. Finally, ATM transaction records and witnesses confirmed that YELLOW MULE attempted to use the victim's debit card to withdraw cash from her bank account at a gas station in Lodge Grass shortly after the robbery. The debit card was found in the car that YELLOW MULE and P.B. were driving prior to their arrest.

The investigation was a cooperative effort between the Bureau of Indian Affairs and the Federal Bureau of Investigation.

INDIAN COUNTRY - FORT BELKNAP RESERVATION

**AMBER MARIE BEAR, DAYNA JEAN BEAR,
MAMIE JEAN BEAR, and WALLENE MARY BEAR
(BEAR, A., BEAR, D., BEAR, M. & BEAR, W.)**

On October 25, 2010, AMBER MARIE BEAR, age 38, DAYNA JEAN BEAR, age 37, MAMIE JEAN BEAR, age 56, residents of Harlem, and WALLENE MARY BEAR, a 50-year-old resident of Havre, appeared for sentencing.

AMBER BEAR was sentenced in connection with her guilty plea to conspiracy to possess with the intent to distribute methamphetamine and possession with the intent to distribute methamphetamine to a term of:

- Prison: 45 months
- Special Assessment: \$200
- Supervised Release: 4 years

DAYNA JEAN BEAR was sentenced in connection with her guilty plea to conspiracy to possession with the intent to distribute methamphetamine and possession with the intent to distribute methamphetamine to a term of:

- Prison: 77 months
- Special Assessment: \$100
- Supervised Release: 8 years

MAMIE JEAN BEAR was sentenced in connection with her guilty plea to possession with the intent to distribute methamphetamine to a term of:

- Prison: 17 months
- Special Assessment: \$100
- Supervised Release: 3 years

WALLENE MARY BEAR was sentenced in connection with her guilty plea to conspiracy to possession with the intent to distribute methamphetamine and possession with the intent to distribute methamphetamine to a term of:

- Prison: 120 months
- Special Assessment: \$200
- Supervised Release: 8 years

In an Offer of Proof filed by Assistant U.S. Attorney Carl E. Rostad, the government stated it would have proved at trial the following:

In the early morning hours of September 5, 2009, AMBER BEAR was stopped by Fort Belknap Tribal Police for running a stop sign. One of her three passengers was identified as WALLENE BEAR. During the stop, officers noticed an open can of beer, which is a violation of tribal law, and detained the two male passengers sitting in the back seat. Officers then asked for and received consent from AMBER to search her vehicle. During the search, they found drug paraphernalia. The two females were also detained and transported to the Fort Belknap Police Department.

While visible from a surveillance camera at the police department, AMBER was observed by a female officer reaching into WALLENE's bra and retrieving something. After the males were searched, female officers conducted searches of AMBER and

WALLENE. Nine plastic bags of a white powdery substance were found in body cavities, as well as three plastic tubes containing suspected methamphetamine residue in a purse belonging to WALLENE. AMBER was later given medical treatment on suspicion that she may have also swallowed methamphetamine.

Later that day, law enforcement conducted a search of the home of AMBER's mother, MAMIE BEAR, based on information provided by AMBER that there were drugs and drug related evidence at that residence. Upon obtaining consent to search, officers found approximately 5 grams of methamphetamine in separate packages. Officers also found marijuana pipes, marijuana and marijuana seeds, needles, crushed pharmaceuticals, cash, a spoon and a knife with drug residue, and other evidence of drug use and trafficking.

On the evening of September 5, 2010, law enforcement and Social Services were called to a domestic disturbance and neglect report at the public housing home of DAYNA BEAR. Law enforcement had responded first and were told by a woman at the residence that DAYNA had verbally and physically assaulted her. DAYNA was taken into custody for domestic assault and social services were then called to take care of her minor children. Law enforcement had obtained DAYNA's consent to search the premises. While a social worker was checking the home for other children, she discovered prescription drugs and baggies containing "rocks" of suspected methamphetamine.

MAMIE, AMBER, and DAYNA all admitted their long involvement in the methamphetamine trade. All identified WALLENE as their primary, although not necessarily exclusive, source of supply for methamphetamine. AMBER indicated that WALLENE had been bringing methamphetamine to the reservation from Seattle once or twice a month and dealing to customers on Fort Belknap from the time WALLENE got out of federal prison in the summer of 2008. WALLENE used DAYNA, AMBER, and MAMIE as sub-distributors and all would share in the profits of the business. AMBER, who described the activity as a "family business," indicated that she had been dealing drugs for as long as she could remember. She also indicated that WALLENE was one of two sources of her drug supply. MAMIE admitted to using her home as a staging area for the distribution of drugs on Fort Belknap and distributing drugs supplied by WALLENE to pay the bills.

The investigation was a cooperative effort between the Federal Bureau of Investigation, the Tri-Agency Safe Trails Task Force, and the Fort Belknap Tribal Police.

DUSTIN MARK FLYING

On August 2, 2010, DUSTIN MARK FLYING, a 24-year-old resident of Fort Belknap, was sentenced to a term of:

- Prison: 63 months

- Special Assessment: \$100
- Supervised Release: 3 years

FLYING was sentenced in connection with his guilty plea to being a habitual domestic offender.

In an Offer of Proof filed by Assistant U.S. Attorney Carl E. Rostad, the government stated it would have proved at trial the following:

From approximately November 8 through November 15, 2009, FLYING had continually assaulted his wife, S.F., at her sister's residence in Lodge Pole, on the Fort Belknap Indian Reservation.

S.F. would have testified that during that week, FLYING had beat her repeatedly. The assaults included lifting her by her neck and throwing her to the ground, kicking her, choking her with a head-lock, smashing her against the wall, throwing her outside naked, dragging her by the hair, whipping her with a USB (computer) cord, and hitting her with the telephone handset.

S.F. advised law enforcement later, during interviews on November 15 and 16, that she did not earlier escape the abuse out of fear of FLYING. S.F. indicated that the beatings had left her unconscious on several occasions throughout the ordeal. Finally, on November 15, while FLYING was in the bathroom, S.F. gathered some clothes and fled to a neighbor's home where she called her aunt, who in turn contacted the Fort Belknap Police. S.F. was then taken to the Fort Belknap Indian Health Service.

Medical examination revealed dozens of bruises on S.F.'s body, as well as open-wound lacerations, scratches, scrapes, whip and bite marks. S.F. could not hear out of one ear and advised medical staff that the loss of hearing began when FLYING punched her in the ear and threw her to the ground.

FLYING has at least two prior and separate convictions for domestic violence. The first offense occurred on July 11, 2006, and the second on July 19, 2006.

The investigation was conducted by the Federal Bureau of Investigation in Havre.

ELWYN FLOYD HAS THE EAGLE, JR.

On February 1, 2010, ELWYN FLOYD HAS THE EAGLE, JR., a 26-year-old resident of Lodge Pole, was sentenced to a term of:

- Prison: Count I: 2nd Degree Murder of Calvin Snell - Life
(concurrent to Count 3)
Count II: 1st Degree Murder of Doreen Manzanares - Life
(concurrent to Count 4 and consecutively to Counts 1 and 3)

Count III: Felony Murder - Life
(concurrent to Count 1)
Count IV: Felony Murder - Life
(concurrent to Count 2 and consecutive to Counts 1 and 3)
Count 5: Burglary - 240 months (concurrent to all counts)

- Special Assessment: \$500
- Restitution: \$4,241.91

HAS THE EAGLE was sentenced after having been found guilty during a 2½-day trial of the following charges:

Count I: second degree murder of Calvin Snell;
Count II: first degree murder of Doreen Manzanares with malice aforethought and with premeditation;
Count III: first degree murder of Calvin Snell with malice aforethought and in perpetration of burglary;
Count IV: first degree murder of Doreen Manzanares with malice aforethought and in perpetration of burglary; and,
Count V: burglary of a house occupied by Calvin Snell and Doreen Manzanares.

Assistant U.S. Attorney Rebekah J. French prosecuted the case for the United States.

The investigation was a cooperative effort between the Federal Bureau of Investigation and the Fort Belknap Tribal Law Enforcement.

ELWYN FLOYD “JACK” HAS THE EAGLE, JR.

On November 29, 2010, ELWYN HAS THE EAGLE, commonly known as Jack Has The Eagle, a 57-year-old resident of Lodge Pole, was sentenced to a term of:

- Prison: 108 months
- Supervised Release: 3 years

HAS THE EAGLE was sentenced after a federal district court trial in which he was found guilty of obstruction of justice and witness tampering. Assistant U.S. Attorney Carl E. Rostad prosecuted the case for the United States.

At trial, the following evidence and testimony was presented to the jury. During the early morning hours of December 17, 2008, HAS THE EAGLE's son, Jay Has The Eagle, entered the home of an elderly Fort Belknap couple, Doreen Manzanares, 63, and Calvin Snell, 69. Jay Has The Eagle stabbed both victims to death and fled.

Earlier, in the evening hours of December 16, Jay Has The Eagle had been in the company of a girlfriend, who had lived with Jay Has The Eagle for about three months

prior to the murders, and who gave a statement to law enforcement and a witness to the events of December 16, 2008, just hours before the murders.

Jay Has The Eagle was indicted by a federal Grand Jury and charged with two counts of First Degree Murder and two counts of Felony Murder. Felony murder occurs when someone is killed during the commission of another felony crime. In June of 2009, Has The Eagle, through his attorney, notified the Court that he was going to rely on an insanity defense.

Jay Has The Eagle's girlfriend testified in the trial of HAS THE EAGLE that for several months prior to the murder trial, beginning in about June of 2009, she had received calls from HAS THE EAGLE urging her to testify that Jay Has the Eagle was "crazy" at the time of the murders. When she was served with a subpoena to testify by the FBI, on October 19, 2009, she disclosed to the agent that HAS THE EAGLE was urging her to say certain things about Jay Has The Eagle's mental condition and degree of intoxication on the night of the murders that were not true. The FBI then arranged with her to record telephone conversations with HAS THE EAGLE. In recorded conversations on October 19 and October 20, 2009, HAS THE EAGLE told the girlfriend to testify that Jay was "hearing voices", that he was "drunk", and that she needed to "stick to the story". The prosecution played for the jury the recordings of the telephone calls as evidence of obstruction and witness tampering. During the October 20, 2009 conversation, the witness said to Has The Eagle "you want me to lie" to which the defendant responded by coaching her on how to lie, stating "Yeah. Just tell him, yeah, he heard voices. He tells you he heard voices." When the witness said to HAS THE EAGLE that she knew Jay's mental health was intact on the night of the murders, the defendant replied, "Yeah. But ... that's the only ... [way] he can get out of it. I won't lie that I think he's crazy ... that's why he wants you, you know, tell them that he hears voices when you was with them at the house." In the October 20, 2009 call, the defendant could be heard telling the witness that "[i]t's the only way you can get him out of there. On four charges, four death charges. He's facing four life sentences." The witness also testified that on the night of the murders, while Jay Has The Eagle had been drinking he did not appear to be drunk, and that she had never heard him claim that he was hearing voices.

The witness told the jury that there were several other phone conversations, such as those occurring prior to notification of the FBI. On October 24, 2009, the Saturday before the Jay Has The Eagle trial, the witness testified that she received a call from HAS THE EAGLE in which the defendant threatened to "take [her] out" if she did not give false testimony at Jay's murder trial. Afraid, distraught, and in a state of high anxiety, she contacted the FBI who arranged to pick her up and place her in a hotel for the evening. An FBI Victim Witness Specialist told the jury that when she arrived at the residence, the witness was waiting outside her residence clutching a knife, shaking, and extremely upset. The witness ultimately was called by the defense to testify at the Jay Has The Eagle trial but did not perjure herself as HAS THE EAGLE had instructed.

On October 29, 2009, Jay Has The Eagle was convicted of the second degree murder of Calvin Snell; the first degree murder of Doreen Manzanares with malice aforethought and with premeditation; and the felony murders of Calvin Snell and Doreen Manzanares with malice aforethought and in perpetration of the burglary of the house occupied by Calvin Snell and Doreen Manzanares. On February 1, 2010, Has The Eagle, Jr., was sentenced to serve two consecutive life terms in prison.

The investigation was conducted by the Federal Bureau of Investigation as part of the newly created Fearless Justice Initiative in the District of Montana. The *Initiative* is designed to strengthen public safety efforts in Montana's Indian communities through the suppression of intimidation and coercion of victims and witnesses to crime. The *Initiative*, spearheaded by the U.S. Attorney's Office in the District of Montana, is the first of its kind in the nation.

RYAN JAMES HEADDEN

On March 1, 2010, RYAN JAMES HEADDEN, a 29-year-old resident of Phoenix, Arizona, was sentenced to a term of:

- Prison: 20 months
- Special Assessment: \$200
- Restitution: \$22,179.45
- Supervised Release: 3 years

HEADDEN was sentenced in connection with his guilty plea to wire fraud/Internet sale of stolen property and theft from an Indian Tribal organization.

In an Offer of Proof filed by Assistant U.S. Attorney Carl E. Rostad, the government stated it would have proved at trial the following:

On March 3, 2008, HEADDEN was hired by Priority Communications Incorporated (PCI) as a manager for their Havre store. PCI is a business that specializes in the sale, installation, maintenance and storage of communications systems and other law enforcement equipment. HEADDEN had almost complete management control over the Havre operation. He was in charge of purchasing, selling, and installing equipment. HEADDEN performed these responsibilities with little or no supervision from any higher authority in PCI management.

On October 31, 2008, HEADDEN gave notice that he was quitting and a couple of days later did not show up for work.

In November of 2008, the new manager for PCI noticed that some of the store's inventory was missing. Before his departure, HEADDEN had told the person who replaced him as manager that he had cleaned up some of the storage room shelves to make room for further inventory. The storage room is used to store equipment,

including previously purchased communications equipment belonging to local and tribal police departments, and other emergency response agencies in the area.

The current manager contacted the owner of PCI in an attempt to locate the missing inventory. At this time, the new manager had begun to suspect that HEADDEN had taken the inventory and sold it. The manager recalled that HEADDEN had a PayPal credit card and speculated that HEADDEN may have sold the missing inventory on Ebay. The manager's secretary noticed that HEADDEN had saved some of his computer passwords on the office computer including his member ID for Ebay. The secretary searched the Ebay website using HEADDEN'S member ID and found pictures of PCI's stolen equipment that had been sold by HEADDEN. Items from PCI sold by HEADDEN on Ebay included police car radios, portable radios, and emergency light bars. In addition, the pictures of the equipment appeared to have been taken inside the PCI store.

Havre Police conducted an investigation into the missing items and was able to identify and recover some of the radios that HEADDEN sold belonging to the Havre Police Department, Chippewa Cree Tribal Police, and Fort Belknap Tribal Police. Each of the XTL2500 radios is valued at approximately \$5,000.

In addition, it was identified that AM/FM radios with CD players that PCI took out of the Fort Belknap Tribal Police cruisers when they installed mobile police radios were also missing. PCI stored the radios for Fort Belknap so that when the cruisers were decommissioned, the police radios could be taken out and the AM/FM radios replaced. Six radios were missing, at a cost of \$463.99 each.

The manager of PCI also remembered that shortly after HEADDEN quit, an employee of the U.S. Customs and Border Protection (CBP) came into the store looking for HEADDEN. Apparently, the CBP employee had purchased some equipment from HEADDEN and had not received it. The CBP employee produced a "Bill of Sale" for the purchase which included the equipment purchased, along with the equipment serial numbers. The current manager of PCI reviewed the document and identified the equipment as belonging to PCI.

In an interview with the Havre Police Department, HEADDEN admitted selling the items on Ebay that he took from Priority Communications.

The total loss of HEADDEN'S Ebay sales is between \$34,000 and \$39,000. The total dollar amount of stolen items from PCI came to \$56,996.10.

The investigation was a cooperative effort between the Havre Police Department and the Federal Bureau of Investigation.

CLEMENT DAVID KING

On November 8, 2010, CLEMENT DAVID KING, a 22-year-old resident of Hays, was sentenced to a term of:

- Prison: 175 months
- Special Assessment: \$100
- Supervised Release: life

KING was sentenced after a federal district court trial in which he was found guilty of sexual abuse of a minor, which occurred on the Fort Belknap Indian Reservation. Assistant U.S. Attorney Marcia K. Hurd prosecuted the case for the United States.

The investigation was conducted by the Federal Bureau of Investigation.

SHERMAN J. LAVALLIE, SR.

On April 27, 2010, SHERMAN J. LAVALLIE, SR., a 51-year-old resident of Harlem, was sentenced to a term of:

- Probation: 2 years
- Special Assessment: \$25
- Restitution: \$712

LAVALLIE was sentenced in connection with his guilty plea to theft of federal monies by fraud.

In an Offer of Proof filed by Assistant U.S. Attorney Rebekah J. French, the government stated it would have proved at trial the following:

The Fort Belknap Indian Community has a TANF program, which is a block grant program funded by the U.S. Department of Health and Human Services that provides direct financial assistance and work opportunities to needy families, but also requires each adult family member whose family receives TANF funds to participate in 20 hours per week of work activities.

On September 21, 2006, LAVALLIE applied for TANF funds for his 3-person household, comprised of himself, his wife, and his son. He later signed a form acknowledging that he would be required to work 20 hours per week, beginning October 9, 2006, to receive his requested benefits. The Director of the Fort Belknap Housing Department signed the sheet, indicating that LAVALLIE could work 20 hours per week at the Housing Department.

LAVALLIE submitted eight time sheets for the months of October 2006 through May 2007, showing that he had worked 20 hours per week for the Fort Belknap Housing

Department. Each of the forms contained a line to be signed by the person verifying that the program participant actually worked the required 20 hours. Although there is a signature on the required line, the man who was the Housing Department Director during the relevant time period denied signing the form and reported that LAVALLIE did not work at the Fort Belknap Housing Department at any time between October 2006 and May 2007.

In early 2007, a new TANF case manager was assigned to the the LAVALLIE family. By June, she had discovered that LAVALLIE was forging the Housing Department Director's signature on his time sheets. This case manager, in consultation with the program director, terminated the LAVALLIE family's participation in the program based on fraud. In response to a June 11, 2007, termination letter, LAVALLIE wrote a letter indicating his willingness to enter into a repayment agreement.

When interviewed by law enforcement on December 8, 2008, LAVALLIE admitted that he forged the Housing Department Director's signature on the time sheets for December 2006 through May 2007, but claimed that the director had signed the time sheets for October and November of 2006.

LAVALLIE received eight TANF checks, each in the amount of \$442, between October 2006 and May 2007. The penalty for failing to comply with the work participation requirement is loss of the adult portion of the benefit, for the adult who violates the work participation requirement. In this case, that portion was \$89 per check, for a total of \$712.

The investigation was conducted by the Federal Bureau of Investigation.

DOUGLAS FLOYD MAIN

On August 2, 2010, DOUGLAS FLOYD MAIN, a 23-year-old resident of Fort Belknap, was sentenced to a term of:

- Prison: 37 months
- Special Assessment: \$100
- Supervised Release: 3 years

MAIN was sentenced after having been found guilty during trial of assault resulting in serious bodily injury. Assistant U.S. Attorney Vince Carroll prosecuted the case for the United States.

The investigation was a cooperative effort between the Federal Bureau of Investigation and the Fort Belknap Law Enforcement.

DAVID HUGO WALKER

On June 28, 2010, HUGO WALKER, a 43-year-old resident of Fort Belknap, was sentenced to a term of:

- Prison: 24 months
- Special Assessment: \$100
- Supervised Release: 10 years

WALKER was sentenced in connection with his guilty plea to failure to register as a sex offender.

In an Offer of Proof filed by Assistant U.S. Attorney Rebekah J. French, the government stated it would have proved at trial the following:

On May 9, 1990, WALKER was convicted of aggravated sexual abuse. As a result of the conviction, WALKER was required to register under the Sex Offender Registration and Notification Act.

On April 27, 2009, WALKER registered an address on the Fort Belknap Indian Reservation, where he intended to stay until May 29, 2009. Prior to that, he had registered as a transient in Great Falls.

In January of 2010, a woman called the Cascade County Sheriff's Office to report that WALKER had been living with her son in Cascade County since June of 2009. This woman was concerned because she knew WALKER was a convicted sex offender and there were children living in her son's home.

WALKER had started staying at a house on Banjo Hill Lane, in Cascade County, in July of 2009. He usually stayed for three days at a time, and then left, returning after three or four days. In August of 2009, WALKER began spending more time at the house on Banjo Hill Lane.

WALKER left some of his personal belongings at his sister's house, on the Fort Belknap Indian Reservation, and spent Thanksgiving 2009 with his sister.

WALKER returned to the house on Banjo Hill Lane after Thanksgiving and was at the house when he was arrested in January of 2010.

WALKER spent more than 30 days, in the aggregate, at the house on Banjo Hill Lane between June 1, 2009, and December 31, 2009.

The investigation was conducted by the Cascade County Sheriff's Office and the U.S. Marshals Service.

JORDAN LEWIS PATRICK WING

On March 1, 2010, JORDAN LEWIS PATRICK WING, a 21-year-old resident of Dodson, was sentenced to a term of:

- Prison: 30 months
- Special Assessment: \$100
- Restitution: \$32,250
- Supervised Release: 3 years

WING was sentenced in connection with his guilty plea to burglary.

In an Offer of Proof filed by Assistant U.S. Attorney Timothy J. Racicot, the government stated it would have proved at trial the following:

WING is an enrolled member of the Fort Belknap Indian Tribes and resides on the Fort Belknap Indian Reservation.

On June 25, 2007, Fort Belknap Police officers responded the report of a burglary at a home in Lodge Pole, which is within the exterior boundaries of the Fort Belknap Reservation. Upon arrival, the officers discovered that entry to the house had been gained by removing a piece of plywood from the back door and that numerous items of personal property had been stolen, including two rifles and a pistol, tools, a video game console and games, a sword collection, knives, a skill saw, a man's silver watch and other pieces of jewelry.

While the officers were investigating the burglary, they were called to the John Capture Center in Hays to respond to a report that WING was in the area and was pointing a shotgun at people. The officers found WING near the John Capture Center. He was in possession of a shotgun, which he pointed at one of the officers. WING then placed the shotgun on the ground in front of him and the officers arrested him. During a search incident to arrest, the officers seized a pistol from WING'S waistband. Both the shotgun, a Norinco 12-gauge shotgun, model 98, and the pistol, a Hi-Standard .22-caliber pistol, were identified as having been stolen during the burglary.

On July 31, 2008, J.B. was interviewed by the FBI. J.B. described participating in the burglary with WING, observing WING remove the shotgun and the pistol from the house, and described WING's possession of the stolen firearms at the John Capture Center on June 25, 2007.

The investigation was conducted by the Federal Bureau of Investigation and the Fort Belknap Police Department.

INDIAN COUNTRY - FORT PECK RESERVATION

MICHAEL JAMES BEAR CUB

On November 29, 2010, MICHAEL JAMES BEAR CUB, a 22-year-old resident of Poplar, was sentenced to a term of:

- Prison: 33 months
- Special Assessment: \$100
- Supervised Release: 3 years

BEAR CUB was sentenced in connection with his guilty plea to assault resulting in serious bodily injury.

In an Offer of Proof filed by Assistant U.S. Attorney Michael S. Lahr, the government stated it would have proved at trial the following:

On the morning of September 20, 2009, BEAR CUB, became angry with his girlfriend, "R.M.", and confronted her in the parking lot of an apartment building in Poplar on the Fort Peck Indian Reservation. BEAR CUB threw "R.M." on the ground and got on top of her. BEAR CUB was pulled off "R.M." and she began walking down an alley commonly referred to as Devil's Alley.

Another individual was walking down Devil's Alley when he saw a male running down the alley ahead of him. He subsequently saw this person on the north side of the alley kicking at something on the ground. The witness heard a female voice screaming for the male to stop. Though the witness could not see the victim because she was lying in weeds, he saw the male kick her between ten and fifteen times.

Another individual also saw a male stomping or kicking something about ten times on the north side of the alley. The witness went to this location and observed the male who had been doing the kicking sitting with a female at the front of a burned-out house just north of the area where the assault occurred. The individual stated that the female's face was "all bloody."

A Fort Peck Tribal Police officer was dispatched to the scene where he found BEAR CUB sitting behind "R.M." with his arm around her neck on a table in front of a burned-out house. "R.M.'s" face was swollen and smeared with blood.

When questioned, "R.M." stated that she remembers BEAR CUB repeatedly kicking her in the head and that she asked him to stop.

The physician who treated "R.M." following the assault stated that the injuries sustained by the victim consisted of a fractured right orbital wall, a right orbital floor fracture, and

fractures of both nasal bones. The physician also stated that the injuries sustained by the victim were serious bodily injuries which resulted in a substantial risk of death and extreme physical pain.

The investigation was a cooperative effort between the Federal Bureau of Investigation and the Fort Peck Tribes Criminal Investigation Unit.

PAUL JAMES BEMER

On October 26, 2010, PAUL JAMES BEMER, a 42-year-old resident of Poplar, was sentenced to a term of:

- Prison: 37 months
- Special Assessment: \$300
- Restitution: \$58,355
- Supervised Release: 3 years

BEMER was sentenced in connection with his guilty plea to conspiracy to commit theft from an Indian tribal organization, conspiracy to obstruct a federal audit, and receipt of compensation from a source other than the federal government by a federal employee.

In an Offer of Proof filed by Assistant U.S. Attorney Carl E. Rostad, the government stated it would have proved at trial the following:

In the later part of 2008 and the early part of 2009, Fort Peck Tribal officials retained the services of a Certified Public Accountant to conduct a review of the Credit Program's finances in anticipation of a year-end audit. The accountant quickly identified the excessive loans and discovered that the Credit Program employees and some of their relatives had excessive outstanding short term loans, suggesting that tribal monies had been embezzled, misapplied, or converted to the use of tribal and federal employees of the loan program, and their families.

As of June 2009, the total amount of outstanding short term loans was \$1,675,088. Approximately 48% of this amount (over \$800,000) were loans to Credit Program employees and their families. An investigation by the Department of Interior's Office of Inspector General determined that almost half of all loans were fraudulent.

The Bureau of Indian Affairs' (BIA) Branch of Credit maintained oversight of the Fort Peck Credit Program until June 2008, when this Branch was transferred to the Office of Indian Energy and Economic Development (OIEED), Division of Capital Investment, Office of the Assistant Secretary for Indian Affairs. The OIEED transferred administrative oversight of the Fort Peck Credit Program to the Fort Peck Tribes in December 2008 and as of that date the Credit Program was strictly a tribal function. The Fort Peck Credit Program maintains three separate bank accounts with Independence Bank, Poplar, Montana. These bank accounts are dedicated to the

Short Term Loan account, the Revolving Credit Fund account and the Entrepreneurial Loan account.

Prior to the transition of oversight authority in December 2008, the Fort Peck Credit Program was staffed with six employees consisting of two federal employees and four subordinate tribal employees. Loan applications were reviewed by a three member Credit Committee who had authority to approve or deny the application pursuant to the Plan of Operations.

From August 12, 1999, to May 29, 2009, hundreds of fraudulent checks exceeding \$1 million were issued from the checking accounts of the Fort Peck Tribal Credit Department, an agency of the Fort Peck Tribes tasked with providing short term loans, to a maximum of \$2,000, to qualifying tribal members. The checks were the consequence of a fraudulent scheme whereby all six of the Credit Program employees conspired to steal money from the Tribal Credit Department by securing unauthorized loans and direct payments for themselves. These disbursements purport to represent legitimate loans, overtime payments, and miscellaneous reimbursements to the employees when, in fact, the employees had far exceeded the maximum loan amount threshold of \$2,000. In many cases, the employees circumvented the approval authority of the oversight board – the Credit Committee – by falsely representing that approval for the disbursement had been obtained. To further solidify their conspiracy, the employees often split the proceeds of the checks with each other.

The Tribal Credit Program initially operated with \$1.5 million provided to them by the Department of the Interior through the U.S. Direct Loan Fund. The Direct Loan Fund was created to promote access to capital and increase economic opportunity of American Indians. The Direct Loan created and funded the tribal re-lending program, whereby loans repaid by tribal members would be used to repay the Direct Loan and ultimately create a reserve sufficient to make the Credit Program a viable operation. The Credit Program repaid their U.S. Direct Loan in 1996, and the funds in their account since that time are tribal monies.

During the period of the indictment, BEMER was employed as a Loan Assistant with the U.S. Department of the Interior. BEMER began working for the Credit Program as a tribal employee in February 1992. He maintained this tribal employment until June 2002, when he was hired by the Bureau of Indian Affairs to fill the vacated position of Loan Assistant. This position became vacant after S.P. was promoted to the position of Loan Specialist, wherein she served as BEMER's direct supervisor as well as the overall Supervisory Credit Manager for the Credit Program.

Toni Greybull served as the prior Supervisory Credit Manager. At the time of her death in March 2008, Greybull was the BIA Administrative Officer and she directly supervised S.P.

Four employees had check signing authority on the Credit Program bank accounts -

Greybull, S.P., BEMER, and E.R.B., as did the three members of the Credit Committee. In some occasions loan applications were completed. In most cases, no loan documents could be located to support the disbursements to these employees. The conspiracy further evolved to include the issuance of loan checks to family members of the Credit Program employees, including their husbands, siblings and children.

The investigation identified 62 disbursements from the Credit Program checking accounts payable to BEMER between May 2004 and January 2009 that total \$49,733. Thirty-two of these disbursements were short term loans which totaled \$39,576. In addition to these payments, BEMER also received 30 disbursements recorded as miscellaneous expenses and purport to represent performance awards, bonuses, accounts receivable reimbursements and overtime payments. The investigation determined that no W-2 was ever issued to BEMER, nor were any of the standard deductions withheld from these payments.

BEMER's immediate family also received money from the Credit Program. In that regard, the investigation identified short term loans to his mother that total \$8,888. When interviewed, BEMER admitted to investigators that he had also obtained a long term loan from the Credit Program through their Revolving Credit Fund account. This loan had been modified nine times and total disbursements to BEMER under this loan equaled \$53,186. Internal Credit Program records reflect, and BEMER admits, that he simply stopped remitting payments against this loan in July 2007. The outstanding principal on this loan is \$31,858. The scheme was in danger of discovery in September 2007 when the BIA conducted a program review of this Tribal Credit Program. When interviewed, the employees admitted that immediately prior to this internal review they changed the names on their loan files to conceal the short term loans they had issued themselves. The employee names were replaced with the names of deceased tribal members to prevent the discovery of the excessive disbursements during the federal review. Two federal employees – the BIA Regional Credit Officer and another BIA employee (review team) – were assigned to conduct the program review amidst complaints by the Tribal Chairman that the BIA Agency officials refused to disclose information concerning loan recipients to the Tribal Executive Board. The review team met with Greybull, S.P. and BEMER during their review. Altered records were provided to the BIA review team which concealed BEMER's outstanding long term loan, as well as the short term loans obtained by all of the Credit Program staff. By switching the loan account names, the Credit Program employees were able to reduce the outstanding short term loan balance by \$550,000 and thereby concealing their thefts. In addition, the review team was provided with an altered list of long term loans which omitted \$112,659 in long term loans obtained by the staff and/or their family members.

In December 2008, federal oversight of the Tribal Credit Program was discontinued and the two federal employees were reassigned. The mid 2009 audit referred to above was conducted by the Tribe's accountant and prompted the federal investigation by the Office of Inspector General. Both the accountant and the federal investigators found that collection action on the outstanding loans was nearly non-existent. In some

instances, loan files contained no accompanying/supporting documentation denoting approval for the issuance of the loan or details on the repayments terms of the loan.

In July 2009, the four tribal employees were interviewed by the Tribe's Chief Financial Officer. All four employees admitted to stealing funds from the Credit Program. The four tribal employees, as well as BEMER, subsequently admitted to federal investigators their participation in the fraud scheme and further identified the disbursements to which they were not entitled to receive. The investigation determined that in addition to the funds disbursed directly for the benefit of BEMER, he was a co-signer for the issuance of dozens of short term loans and miscellaneous checks made payable to his Credit Program co-workers, and their family members between March 2005 and August 2007. The total of these checks exceed \$215,139.

The investigation was conducted by the Department of Interior's Office of Inspector General.

LAVAL JOHN BIG LEGGINS

On August 2, 2010, LAVAL JOHN BIG LEGGINS, a 24-year-old resident of Poplar, was sentenced to a term of:

- Prison: 63 months
- Special Assessment: \$200
- Supervised Release: 3 years

BIG LEGGINS was sentenced in connection with his guilty plea to assault resulting in serious bodily injury and obstruction of justice/witness tampering.

In an Offer of Proof filed by Assistant U.S. Attorney Carl E. Rostad, the government stated it would have proved at trial the following:

In the early evening hours of November 15, 2008, several people were drinking at the home of P.Y. in Poplar, on the Fort Peck Indian Reservation. Among those present were BIG LEGGINS and the victim. At some point during the evening, the two men got into an altercation. BIG LEGGINS took out his pocket knife and took several swings at the victim. BIG LEGGINS also swung the knife at C.Y., who sustained a minor knife wound injury. The victim, who was not armed with any weapon, sustained a three to four inch cut to his throat that narrowly missed severing his carotid artery.

The victim was taken to the Poplar Hospital. The attending physician indicated that even though the artery was not severed, there was substantial bleeding that could have easily lead to the victim's death if medical attention had been much delayed. The wound left a permanent scar and was life threatening.

BIG LEGGINS was interviewed and admitted pulling the knife and swinging it at the victim and another man at the party in response to physical assaults from the two men. Other witnesses at the party identified BIG LEGGINS as the instigator and the assailant.

Soon after, BIG LEGGINS gave a letter to P.Y. while P.Y. was in the Fort Peck Tribal Jail, in which he warned P.Y., and his brother C.Y., to keep quiet about the incident. In that letter, BIG LEGGINS writes:

“Hey [P.Y.], Hey bro it’s your boy Biggie Boy ... But for real homie you gotta help me out and let them know it was all self defense that I was doin ‘cause hey homie I don’t remember anything that went down but that I was get (sic) socked... Don’t show this note off to nobody but you, after reading this note, toss this away Bro or burn it OK. Damn bro let [C.Y.] know I didn’t meant to do that shit and that other dude ‘cause hey bro that wasn’t I meant to do... I hope you or [C.Y.] don’t go against me and get me locked up. I ain’t tryin’ to do prison time, bro. C’mon dang help me out and let [C.Y.] know 2 by your own words. Don’t show him this note or anyone else. Just tell [C.Y.] that it was self protection myself like any1 would do ‘cause that’s real.... Damn bro I don’t wanna do this time shit and you already know how it is. Help me out , bro’....Cmon bro you gotta help me out with [C.Y.]... For real holmes, a homie can’t go back and don’t plan 2. Feel me? So ask them and just keep talkin’ 2 them and ask them if they could help me out and don’t show up 4 court or something....Biggie Boy”

This letter was found in P.Y.’s jeans pocket by his girlfriend and turned over to the FBI on March 18, 2009. She said she found the letter several weeks after the incident after P.Y. had been released from jail. P.Y. was in tribal jail on Domestic Assault charges on or around December 9, 2008.

A few months later, on April 24, 2009, while the investigation was still on-going, BIG LEGGINS and his brother confronted the victim in front of a grocery store in Poplar and told the victim not to show up in federal court or BIG LEGGINS would get 10 years in prison.

The investigation was conducted by the Federal Bureau of Investigation.

KARSEN WAYNE BUSHMAN

On November 30, 2010, KARSEN WAYNE BUSHMAN, a 24-year-old resident of Wolf Point, was sentenced to a term of:

- Prison: 30 months
- Special Assessment: \$100
- Restitution: \$328,437.11
- Supervised Release: 3 years

BUSHMAN was sentenced in connection with his guilty plea to aiding and abetting malicious mischief.

In an Offer of Proof filed by Assistant U.S. Attorney Vince Carroll, the government stated it would have proved at trial the following:

On December 9, 2006, BUSHMAN and another individual entered the Nemont Water Conditioning building in Wolf Point, within the exterior boundaries of the Fort Peck Indian Reservation. BUSHMAN and the other individual gained access to the building by a key obtained by BUSHMAN through his employment with the Nemont Water Company. BUSHMAN and the other individual stole approximately \$30 in money, wrecked the office, and one of the two set the building on fire from the inside.

Both individuals were interviewed and initially denied involvement in the incident. The other individual later confessed to being involved. That individual stated that BUSHMAN asked him if he wanted to "make a money scam." The other individual agreed, so he and BUSHMAN went to the Nemont Water Conditioning building, where BUSHMAN was employed at the time. BUSHMAN used a key he obtained from his employment to enter the building. The two then took approximately \$30 in quarters and a safe, and then stacked files and other things in a pile, and one of the two poured a flammable liquid on the pile of stuff and set it on fire. The Nemont Water Building was completely destroyed by the fire.

The investigation was conducted by the Federal Bureau of Investigation.

ALFRED ALBERT COMES LAST

On June 28, 2010, ALFRED ALBERT COMES LAST, a 67-year-old resident of Wolf Point, was sentenced to a term of:

- Prison: 12 months
- Special Assessment: \$100
- Supervised Release: 3 years

COMES LAST was sentenced in connection with his guilty plea to failure to register as a sexual offender.

In an Offer of Proof filed by Assistant U.S. Attorney Rebekah J. French, the government stated it would have proved at trial the following:

On July 17, 2000, COMES LAST was convicted of sexual abuse of a minor. The conditions of supervised release imposed on COMES LAST included a requirement that he comply with the State of Montana Sex Offender Registration requirements. COMES LAST completed his initial sex offender registration in 2002.

In November of 2008, COMES LAST updated his registration and provided an address on Idaho Street in Wolf Point, which is within the exterior boundaries of the Fort Peck Indian Reservation.

In September of 2009, the compliance officer for the Roosevelt County Sheriff's Office stopped by the Idaho Street address provided by COMES LAST at his last registration and learned that he had moved out of that residence two months before. The officer located COMES LAST, who then admitted that he was living at his daughter's house and had not updated his registered address as required.

The investigation was a cooperative effort between the U.S. Marshals Service and the Roosevelt County Sheriff's Office.

TYRELL JOHN CONNOR

On November 1, 2010, TYRELL JOHN CONNOR, age 24, was sentenced to a term of:

- Prison: 45 months
- Special Assessment: \$100
- Restitution: \$220,231
- Supervised Release: 5 years

CONNOR was sentenced in connection with his guilty plea to arson.

In an Offer of Proof filed by Assistant U.S. Attorney Timothy J. Racicot, the government stated it would have proved at trial the following:

On September 9, 2007, CONNOR and a multitude of other juveniles and young adults were attending a party at a house near Wolf Point on the Fort Peck Indian Reservation. The house belonged to a family that was in the process of moving from the Wolf Point area to Great Falls, but no members of that family were present during the party.

During the course of the party, people began vandalizing the house and removing property from the house and outbuildings. At the end of the night, CONNOR and another person set fire to the house and burned it down.

Many of the party-goers were interviewed during the investigation, as was CONNOR. Some of those witnesses were initially untruthful about the fire, including CONNOR. However, during subsequent interviews, several witnesses told law enforcement that they either saw CONNOR and one other person start fires in the house, heard CONNOR and that other person talk about “torching” the house, or both.

When CONNOR was interviewed a second time, on September 16, 2009, he said that he was responsible for burning down the house. Specifically, CONNOR admitted that he was at the party on September 9, 2007, and that he was extremely drunk. He also said that he started a fire on the second floor of the house, though he did not remember how. And he admitted putting a container of kerosene on the stove, and then inside the stove, because he and the other person, referenced above, wanted the upstairs to be on fire. He also threw a second container of kerosene on a carpeted floor.

A deputy fire marshal conducted an origin and cause investigation at the scene the day after the party. He concluded that the house was a total loss and noted that some areas were still smoking and releasing heat. But the deputy fire marshal was unable to determine the precise location of the fire or fires and unable to draw any conclusion about which fire may have destroyed the house.

The investigation was conducted by the Federal Bureau of Investigation.

DOLLY DIANE CROWE

On October 21, 2010, DOLLY DIANE CROWE, a 45-year-old resident of Poplar, was sentenced to a term of:

- Prison: 24 months
- Special Assessment: \$200
- Restitution: \$143,120
- Supervised Release: 3 years

CROWE was sentenced in connection with her guilty plea to theft from an Indian tribal organization and conspiracy to obstruct a federal audit.

In an Offer of Proof filed by Assistant U.S. Attorney Carl E. Rostad, the government stated it would have proved at trial the following:

The Tribal headquarters of the Fort Peck Indian Reservation are located at Fort Peck Agency in Poplar. In the later part of 2008 and the early part of 2009, Tribal officials retained the services of a certified public accountant to conduct a review of the Credit

Program's finances in anticipation of a year-end audit. The accountant quickly identified the excessive loans and discovered that the Credit Program employees and some of their relatives had excessive outstanding short term loans, suggesting that tribal monies had been embezzled, misapplied, or converted to the use of tribal and federal employees of the loan program, and their families.

As of June 2009, the total amount of outstanding short term loans was \$1,675,088. Approximately 48% of this amount (over \$800,000) were loans to Credit Program employees and their families. An investigation by the Department of Interior's Office of Inspector General determined that almost half of all loans were fraudulent.

The Fort Peck Credit Program maintains three separate bank accounts. These bank accounts are dedicated to the Short Term Loan account, the Revolving Credit Fund account and the Entrepreneurial Loan account.

Prior to the transition of oversight authority in December 2008, the Fort Peck Credit Program was staffed with six employees consisting of two federal employees and four subordinate tribal employees. Loan applications were reviewed by a three member Credit Committee who had authority to approve or deny the application pursuant to the Plan of Operations.

From August 12, 1999, to May 29, 2009, hundreds of fraudulent checks exceeding \$1 million were issued from the checking accounts of the Fort Peck Tribal Credit Department to a maximum of \$2,000, to qualifying tribal members. The checks were the consequence of a fraudulent scheme whereby all six of the Credit Program employees conspired to steal money from the Tribal Credit Department by securing unauthorized loans and direct payments for themselves. These disbursements purport to represent legitimate loans, overtime payments, and miscellaneous reimbursements to the employees when, in fact, the employees had far exceeded the maximum loan amount threshold of \$2,000 and their salary was paid separately through the Tribe's Payroll account. In many cases, the employees circumvented the approval authority of the oversight board – the Credit Committee – by falsely representing that approval for the disbursement had been obtained. To further solidify their conspiracy, the employees often split the proceeds of the checks with each other.

The Tribal Credit Program initially operated with \$1.5 million provided to them by the Department of the Interior through the U.S. Direct Loan Fund. The Direct Loan Fund was created to promote access to capital and increase economic opportunity of American Indians. The Direct Loan created and funded the tribal re-lending program, whereby loans repaid by tribal members would be used to repay the Direct Loan and ultimately create a reserve sufficient to make the Credit Program a viable operation. The Credit Program repaid their U.S. Direct Loan in 1996, and the funds in their account since that time are tribal monies.

During the period of the Indictment, CROWE was an employee of the Fort Peck Tribal Credit Department, including service as the Short Term Loan Clerk. She began her employment at the Credit Program in October 1995 as a clerk/typist. At the time of her dismissal in July 2009, she was responsible for preparing and processing short term loan applications.

Four employees had check signing authority on the Credit Program bank accounts - Toni Greybull (former Supervisory Credit Manager who passed away in March 2008), co-defendants S.P., P.B. and E.R.B., as did the three members of the Credit Committee. On some occasions loan applications were completed. In most cases, no loan documents could be located to support the disbursements to these employees. The conspiracy further evolved to include the issuance of loan checks to family members of the Credit Program employees, including their husbands, siblings and children.

The total dollar amount loss attributable to CROWE is \$166,820. In that regard, the investigation identified 148 disbursements from the Credit Program checking accounts payable to her between May 2005 and May 2009 that total \$138,588. Most of these payments were recorded as short term loans purportedly issued in her name (128 short term loans/\$133,673). Twenty disbursements (\$4,915) were recorded as miscellaneous expenses, and purport to represent bonuses, accounts receivable disbursements and overtime payments, although the investigation determined that no W-2 was ever issued to CROWE, nor were any of the standard deductions withheld from these payments. CROWE obtained an additional \$28,232 from the Credit Program by fraudulently recording these payments as short term loans to her mother and sister.

The scheme was in danger of discovery in September 2007 when the BIA conducted a program review of this Tribal Credit Program. Two federal employees – the BIA Regional Credit Officer and another BIA employee – (the review team) – were assigned to conduct the program review amidst complaints by the Tribal Chairman that the BIA Agency officials refused to disclose information concerning loan recipients to the Tribal Executive Board. The review team met with Greybull, S.P. and P.B. during their review. Altered records were provided to the BIA review team which concealed both long term and short term loans obtained by the Credit Program staff. By switching the loan account names, the Credit Program employees were able to reduce the outstanding short term loan balance by \$550,000 and thereby concealing their thefts. In addition, the review team was provided with an altered list of long term loans which omitted \$112,659 in long term loans obtained by the staff and/or their family members. When interviewed, the employees admitted that immediately prior to this internal review they changed the names on their loan files to conceal the short term loans they had issued themselves. The employee names were replaced with the names of deceased tribal members to prevent the discovery of the excessive disbursements during the federal review.

In December 2008, federal oversight of the Tribal Credit Program was discontinued and the two federal employees were reassigned. The audit referred to above was conducted and led to the federal investigation by the Office of Inspector General. Both the auditor and the federal investigators found that collection action on the outstanding loans was nearly non-existent. In some instances, loan files contained no accompanying/supporting documentation denoting approval for the issuance of the loan or details on the repayments terms of the loan.

In July 2009, the four tribal employees were interviewed by the Tribe's Chief Financial Officer. All four employees admitted to stealing funds from the Credit Program and the matter was referred to law enforcement for a criminal investigation. The four tribal employees, as well as federal employee P.B., admitted to investigators their participation in the fraud scheme and further identified the disbursements to which they were not entitled to receive. The investigation determined that S.P. was a co-signer for the issuance of dozens of short term loans and miscellaneous checks made payable to her five subordinate employees, and their family members between April 2005 and August 2007. The total of these checks exceed \$129,138.

The investigation was conducted by the Inspector General's Office for the U.S. Department of Interior.

DENNIS RAY EAGLE

On July 30, 2010, DENNIS RAY EAGLE, a 49-year-old resident of Wolf Point, was sentenced to a term of:

- Prison: 180 months
- Special Assessment: \$100
- Supervised Release: life

EAGLE was sentenced in connection with his guilty plea to sexual abuse.

In an Offer of Proof filed by Assistant U.S. Attorney Lori Harper Suek, the government stated it would have proved at trial the following:

On December 21, 2007, a female individual was drinking with EAGLE and others at a house in Wolf Point, which is within the exterior boundaries of the Fort Peck Indian Reservation. The female passed out in a chair and EAGLE carried her to a bedroom to lay down. The female woke up and started drinking again. She passed out again and EAGLE carried her, again, into a bedroom. A juvenile who was at the house saw EAGLE close and lock the bedroom door. About ten minutes later, the juvenile saw EAGLE leave the bedroom. EAGLE's boots were untied. The juvenile walked into the bedroom and saw the female's shoes, underwear, and pants by the door of the bedroom.

The victim reported the rape the next day. She was examined at Trinity Hospital and swabs were taken. She told the doctor that the night before she had been drinking a lot, and that EAGLE was making suggestive comments to her. She remembered that she was sitting in a chair and, then, the next thing that she remembered was waking up with EAGLE on top of her trying to take her pants off. She blacked out again and then woke up with her pants and underwear off. The juvenile helped her find her clothes.

DNA testing was conducted. Semen was found on the victim's swabs and then compared to DNA extracted from swabs taken from EAGLE. EAGLE's DNA cannot be excluded as a contributor of the mixture of DNA found on the victim's swabs.

KEVIN FALCON

On May 17, 2010, KEVIN FALCON, a 43-year-old resident of Poplar, was sentenced to a term of:

- Prison: 110 months
- Special Assessment: \$100
- Restitution: \$50
- Supervised Release: 3 years

FALCON was sentenced in connection with his guilty plea to being a felon-in-possession of a firearm.

In an Offer of Proof filed by Assistant U.S. Attorney Rebekah J. French, the government stated it would have proved at trial the following:

At approximately 10:30 a.m. on October 18, 2008, a resident of Poplar called the police and reported that FALCON had stolen his 2006 silver Ford extended-cab truck, containing three rifles. Earlier that morning, Fort Peck Tribal Police officers saw someone waiving a rifle on Anaconda Street in Wolf Point. They reported the incident to the Wolf Point Police Department and a patrol officer made contact with two males – FALCON and another man, who were standing near a 2006 Ford 4-door truck. When asked about the rifles, the other man stated that FALCON was offering to sell him the rifles. FALCON claimed the rifles belonged to him and were empty. An officer checked the rifles, which were both loaded. The officer seized the rifles but told FALCON he would return them when FALCON was sober. The officer later learned that FALCON had sold one rifle to the man who had been with him on the morning of October 18th. When the officer confirmed that all three rifles had been reported stolen, he retrieved the third rifle from the man to whom FALCON had sold the rifle.

On December 5, 2008, a Roosevelt County Deputy Sheriff questioned FALCON. FALCON admitted that he borrowed a friend's silver Ford pickup to give another friend a ride to his house in Poplar. After dropping his friend off, FALCON drove the pickup to Wolf Point, where he stopped to show another man two rifles that he had seen in the

back of the pickup. FALCON remembers an officer confiscating the two rifles, but did not remember how he and the pickup got to Billings, where he was arrested on October 22, 2008.

FALCON had previously been convicted of two Class C felonies in Washington State, which therefore prohibited him from possession of firearms.

The investigation was a cooperative effort between the Bureau of Alcohol, Tobacco, Firearms and Explosives, the Fort Peck Tribes Criminal Investigation Division, and the Billings Police Department.

MARVIN JEROME FASTHORSE

On April 8, 2010, MARVIN JEROME FASTHORSE, a 45-year-old resident of Poplar, was sentenced to a term of:

- Prison: 130 months
- Special Assessment: \$100
- Supervised Release: 5 years

FASTHORSE was sentenced after having been found guilty at trial of sexual abuse. The crime occurred on the Fort Peck Indian Reservation. Assistant U.S. Attorney Marcia K. Hurd prosecuted the case for the United States.

The investigation was conducted by the Federal Bureau of Investigation.

DORAN FLYNN

On November 29, 2010, DORAN FLYNN, a 30-year-old resident of Wolf Point, was sentenced to a term of:

- Prison: 24 months
- Special Assessment: \$100
- Restitution: \$2,057.50
- Supervised Release: 3 years

FLYNN was sentenced in connection with her guilty plea to involuntary manslaughter.

In an Offer of Proof filed by Assistant U.S. Attorneys Jessica T. Fehr and Ryan M. Archer, the government stated it would have proved at trial the following:

In November of 2008, Andrew "Gator" Robinson and FLYNN had been in an on and off again relationship for approximately nine years. Robinson and FLYNN were living together in a house in Wolf Point, on the Fort Peck Indian Reservation.

On the afternoon of November 26, 2008, Robinson was let out of work early and was given his paycheck. The date was also Robinson and FLYNN's ninth anniversary of "being together." Robinson and FLYNN went to two bars and drank alcohol with friends. Witnesses reported FLYNN and Robinson were having a good time that evening. Robinson began to fall asleep at the last bar the two visited and FLYNN decided to take him home.

FLYNN initially provided various statements about what happened once the couple arrived back at their home in Wolf Point. FLYNN's final statement was that after they arrived home she wanted to go back out once Robinson "passed out." Robinson did not want FLYNN to go back out to drink. FLYNN explained that she believes the couple began fighting because she wanted to leave. FLYNN was trying to use the cordless home phone and was in the couple's bedroom on the floor trying to plug the phone in when Robinson entered the bedroom yelling. Robinson hit the top of the television in the bedroom and knocked the items from the top of the television onto the floor. Included in the items from the top of the television was a knife the couple had used earlier in the week to cover a broken window with plastic. FLYNN reported the knife landed close to her foot and she was "pretty pissed about it." FLYNN reported she picked up the knife, cursed at Robinson, and attempted to leave the room to put the knife back in the kitchen. As FLYNN tried to pass Robinson in the doorway to the bedroom Robinson pulled FLYNN back by her hair. Robinson hit FLYNN. FLYNN hit Robinson back. FLYNN still had the knife in her hand. During the struggle the couple fell back onto the bed and FLYNN stabbed Robinson. FLYNN reported she did not realize she had stabbed Robinson until he stopped moving and she noticed a rip in his shirt and a cut on his chest. FLYNN reported there was no blood coming from the wound.

FLYNN did not have an operational phone so she ran to a neighbor's house and called 911. FLYNN told the 911 operator, "I need an ambulance at 117 E. Fairweather. Yeah please now! My boyfriend beat me up and I hit him back and I think I stabbed his heart or something, I don't know. He can't breathe."

Law enforcement arrived shortly after the 911 call. FLYNN told the first officer at the home that Robinson had been chasing her with a knife and Robinson lost his balance and stabbed himself with the knife. After law enforcement and an ambulance crew arrived, FLYNN and her neighbor went into the living room. The neighbor saw a knife on the couch in the living room. The neighbor described the knife as a large kitchen knife with blood on it a "good five to six inches up the blade." FBI lab tests confirmed the substance on the knife was blood and that there were no retrievable fingerprints on the knife.

Ambulance crews took Robinson to Trinity Hospital in Wolf Point where he was pronounced dead. FLYNN was arrested by tribal authorities and told law enforcement the stabbing of Robinson was "an accident, I did not mean to do it." Robinson never had a weapon of any type during the fight with FLYNN. FLYNN did not intend to stab

Robinson. FLYNN was never in fear for her life, nor did she believe she was in danger of suffering serious bodily injury at Robinson's hands.

An autopsy was performed. The forensic pathologist found various blunt force injuries on Robinson, to include abrasions to his face, contusions on his legs and arms, abrasions on his hands and bruises on his scalp. The pathologist timed the blunt force injuries to the same time frame as the stab wound to Robinson's chest. The wound resulted in massive blood loss because the single knife wound pierced Robinson's aortic valve.

The investigation was a cooperative effort between the Fort Peck Tribes Criminal Investigation Division and the Federal Bureau of Investigation.

ANGELITA MARIE HEADDRESS

On November 2, 2010, ANGELITA MARIE HEADDRESS, a 28-year-old resident of Poplar, was sentenced to a term of:

- Prison: 31 months
- Special Assessment: \$200
- Restitution: \$83,900
- Supervised Release: 3 years

HEADDRESS was sentenced in connection with her guilty plea to theft from an Indian tribal organization and conspiracy to obstruct a federal audit.

In an Offer of Proof filed by Assistant U.S. Attorney Carl E. Rostad, the government stated it would have proved at trial the following:

In the later part of 2008 and the early part of 2009, Fort Peck Tribal officials retained the services of a Certified Public Accountant to conduct a review of the Credit Program's finances in anticipation of a year-end audit. The accountant quickly identified the excessive loans and discovered that the Credit Program employees and some of their relatives had excessive outstanding short term loans, suggesting that tribal monies had been embezzled, misapplied, or converted to the use of tribal and federal employees of the loan program, and their families.

As of June 2009, the total amount of outstanding short term loans was \$1,675,088. Approximately 48% of this amount (over \$800,000) were loans to Credit Program employees and their families. An investigation by the Department of Interior's Office of Inspector General determined that almost half of all loans were fraudulent.

The Bureau of Indian Affairs' (BIA) Branch of Credit maintained oversight of the Fort Peck Credit Program until June 2008, when this Branch was transferred to the Office of Indian Energy and Economic Development (OIEED), Division of Capital Investment,

Office of the Assistant Secretary for Indian Affairs. The OIEED transferred administrative oversight of the Fort Peck Credit Program to the Fort Peck Tribes in December 2008 and as of that date the Credit Program was strictly a tribal function. The Fort Peck Credit Program maintains three separate bank accounts with Independence Bank, Poplar, Montana. These bank accounts are dedicated to the Short Term Loan account, the Revolving Credit Fund account and the Entrepreneurial Loan account.

Prior to the transition of oversight authority in December 2008, the Fort Peck Credit Program was staffed with six employees consisting of two federal employees and four subordinate tribal employees. Loan applications were reviewed by a three member Credit Committee who had authority to approve or deny the application pursuant to the Plan of Operations.

From August 12, 1999, to May 29, 2009, hundreds of fraudulent checks exceeding \$1 million were issued from the checking accounts of the Fort Peck Tribal Credit Department, an agency of the Fort Peck Tribes tasked with providing short term loans, to a maximum of \$2,000, to qualifying tribal members. The checks were the consequence of a fraudulent scheme whereby all six of the Credit Program employees conspired to steal money from the Tribal Credit Department by securing unauthorized loans and direct payments for themselves. These disbursements purport to represent legitimate loans, overtime payments, and miscellaneous reimbursements to the employees when, in fact, the employees had far exceeded the maximum loan amount threshold of \$2,000. In many cases, the employees circumvented the approval authority of the oversight board – the Credit Committee – by falsely representing that approval for the disbursement had been obtained. To further solidify their conspiracy, the employees often split the proceeds of the checks with each other.

The Tribal Credit Program initially operated with \$1.5 million provided to them by the Department of the Interior through the U.S. Direct Loan Fund. The Direct Loan Fund was created to promote access to capital and increase economic opportunity of American Indians. The Direct Loan created and funded the tribal re-lending program, whereby loans repaid by tribal members would be used to repay the Direct Loan and ultimately create a reserve sufficient to make the Credit Program a viable operation. The Credit Program repaid their U.S. Direct Loan in 1996, and the funds in their account since that time are tribal monies.

During the period of the indictment, HEADDRESS was an employee of the Fort Peck Tribal Credit Department, including service as the Accounting Technician. She began her employment at the Credit Program in February 2003 as a Clerk. At the time of her dismissal in July 2009, she was the Accounting Technician responsible for posting loan payments to the electronic data base for the Credit Program.

Four employees had check signing authority on the Credit Program bank accounts - Toni Greybull (former Supervisory Credit Manager who passed away in March 2008),

co-defendants S.P., P.B. and E.R.B., as did the three members of the Credit Committee. In some occasions loan applications were completed. In most cases, no loan documents could be located to support the disbursements to these employees. The conspiracy further evolved to include the issuance of loan checks to family members of the Credit Program employees, including their husbands, siblings and children.

The investigation identified 69 disbursements from the Credit Program checking accounts payable directly to HEADDRESS between April 2005 and May 2009 that total \$48,117. Most of these payments were recorded as short term loans purportedly issued in her name (61 short term loans / \$44,407). There were eight other disbursements (\$3,710) recorded as miscellaneous expenses and purport to represent bonuses, accounts receivable reimbursements and overtime payments directly payable to HEADDRESS. The investigation determined that no W-2 was ever issued to HEADDRESS, nor were any of the standard deductions withheld from these payments. In addition, the investigation identified \$141,705 in excessive loan disbursements to HEADDRESS' immediate family.

The scheme was in danger of discovery in September 2007 when the BIA conducted a program review of this Tribal Credit Program. When interviewed, HEADDRESS and the other employees admitted that immediately prior to this internal review they changed the names on their loan files to conceal the short term loans they had issued themselves. The employee names were replaced with the names of deceased tribal members to prevent the discovery of the excessive disbursements during the federal review. Two federal employees – the BIA Regional Credit Officer and another BIA employee (review team) – were assigned to conduct the program review amidst complaints by the Tribal Chairman that the BIA Agency officials refused to disclose information concerning loan recipients to the Tribal Executive Board. The internal review team met with Greybull, S.P. and P.B. during their review. Altered records were provided to the BIA review team which concealed both long term and short term loans obtained by the Credit Program staff. By switching the loan account names, the Credit Program employees were able to reduce the outstanding short term loan balance by \$550,000 and thereby concealing their thefts. In addition, the review team was provided with an altered list of long term loans which omitted \$112,659 in long term loans obtained by the staff and/or their family members.

In December 2008, federal oversight of the Tribal Credit Program was discontinued and the two federal employees were reassigned. The mid 2009 year-end audit referred to above was conducted by the Tribe's accountant and prompted the federal investigation by the Office of Inspector General. Both the accountant and the federal investigators found that collection action on the outstanding loans was nearly non-existent. In some instances, loan files contained no accompanying/supporting documentation denoting approval for the issuance of the loan or details on the repayments terms of the loan. In July 2009, HEADDRESS and the other three tribal employees were interviewed by the Tribe's Chief Financial Officer wherein they admitted to obtaining excessive

unauthorized loans from the Credit Program. All four tribal employees, as well as federal employee P.B., subsequently admitted to federal investigators their participation in the fraud scheme and further identified the disbursements to which they were not entitled to receive.

The investigation was conducted by the U.S. Department of the Interior - Inspector General's Office.

RYAN SIDNEY JACKSON

On November 1, 2010, RYAN SIDNEY JACKSON, a 23-year-old resident of Wolf Point, was sentenced to a term of:

- Prison: 45 months
- Special Assessment: \$100
- Restitution: \$220,231
- Supervised Release: 5 years

JACKSON was sentenced in connection with his guilty plea to arson/aiding and abetting.

In an Offer of Proof filed by Assistant U.S. Attorney Timothy J. Racicot, the government stated it would have proved at trial the following:

On September 9, 2007, JACKSON and a multitude of other juveniles and young adults were attending a party at a house near Wolf Point, within the exterior boundaries of the Fort Peck Indian Reservation. The house belonged to a family that was in the process of moving from the Wolf Point area to Great Falls, however no members of that family were present during the party.

During the course of the party, people began vandalizing the house and removing property from the house and outbuildings. At the end of the night, JACKSON and Tyrell John Connor set fire to the house and burned it down.

Many of the party-goers were interviewed during the investigation, as was JACKSON. Some of those witnesses were initially untruthful about the fire, including JACKSON. However, during subsequent interviews, several witnesses told law enforcement that they either saw JACKSON and Connor start fires in the house, heard JACKSON and Connor talk about "torching" the house, or both.

When JACKSON was interviewed a second time, on September 15, 2009, he stated that he and others were responsible for burning down the house. Specifically, JACKSON admitted to placing egg cartons on a stove in the downstairs kitchen and starting them on fire. He also said that he put that fire out before leaving the party and that he saw someone else start a fire upstairs with a can of gasoline and other cans.

A deputy state fire marshal conducted an origin and cause investigation at the scene the day after the party. He concluded that the house was a total loss and noted that some areas were still smoking and releasing heat. However, the deputy marshal was unable to determine the precise location of the fire or fires and unable to draw any conclusion about which fire may have destroyed the house.

Connor pled guilty to federal charges and has been sentenced.

The investigation was conducted by the Federal Bureau of Investigation.

JAMELLE LYNN KENNEDY

On August 10, 2010, JAMELLE LYNN KENNEDY, a 25-year-old resident of Poplar, was sentenced to a term of:

- Prison: 8 months
- Special Assessment: \$100
- Supervised Release: 3 years

KENNEDY was sentenced in connection with her guilty plea to assault resulting in serious bodily injury.

In an Offer of Proof filed by Assistant U.S. Attorney Carl E. Rostad, the government stated it would have proved at trial the following:

On June 30, 2009, the Child Protective Services (CPS) office of the Fort Peck Tribes received a report that J.K., age 6, was being beaten by her mother, KENNEDY, at the family home in Poplar. A child protection visit was made that day and an investigation initiated. J.K. told CPS investigators that she had fallen off her bike and had not been hit with anything. Investigators at the scene had observed J.K. riding her bike and the child showed good balance and riding skills. J.K. was taken to the Poplar Hospital Emergency Room for a medical examination.

J.K. told medical personnel that she had fallen off of her bike and had not been hit with anything. The treating physician indicated that the wounds were not accidental and had been intentionally inflicted. The bruises were not consistent with any sort of fall, as the injuries were all over the child's body – front and back and top and bottom. The marks were much more consistent with a severe beating with some sort of an object such as a belt or a stick, particularly as the bruising density was most apparent over the thighs and buttocks. The injuries were not all inflicted at the same time as the bruises were in different stages of repair. Some were brown, indicating an old wound, and others more purple in color indicating they had occurred within the last day or two.

KENNEDY was interviewed on the day of the report, June 30, 2009. Initially, she told CPS investigators that she had noticed the bruising three or four days earlier when J.K.

was taking a bath. She stated that the bruising was caused by J.K. repeatedly falling off of her bike. Several months later, when re-interviewed by law enforcement and confronted with the medical opinion, KENNEDY admitted that J.K. was beaten with a kitchen spoon. According to KENNEDY, J.K. had acted up when told they would be leaving a local carnival and threw a tantrum all of the way home on the afternoon of June 30. When they arrived home, KENNEDY picked up a long-handled plastic spoon from their kitchen and used it to hit J.K. KENNEDY said she “blackened out” with anger as she was hitting J.K. The reason the bruises were all over the child’s body is because she kept moving around as she was being hit.

The investigation was conducted by a cooperative effort between the Federal Bureau of Investigation and Fort Peck Criminal Investigations.

ROBERT GLENN LONGEE

On March 29, 2010, ROBERT GLENN LONGEE, a 32-year-old resident of Poplar, was sentenced to a term of:

- Prison: life
- Special Assessment: \$100

LONGEE was sentenced after having been found guilty after a trial of aggravated sexual abuse, which occurred on the Fort Peck Indian Reservation. Assistant U.S. Attorney Marcia K. Hurd prosecuted the case for the United States.

The investigation was conducted by the Federal Bureau of Investigation.

CARTER ROY LONGTREE

On September 27, 2010, CARTER ROY LONGTREE, a 20-year-old resident of Poplar, was sentenced to a term of:

- Prison: 30 months
- Special Assessment: \$100
- Restitution: \$144,700
- Supervised Release: 5 years

LONGTREE was sentenced in connection with his guilty plea to arson.

In an Offer of Proof filed by Assistant U.S. Attorney Carl E. Rostad, the government stated it would have proved at trial the following:

On July 1, 2009, R.M. and his family were moving from Michigan to Poplar, which is on the Fort Peck Indian Reservation, where his wife had taken a nursing position. All of the family’s household items and most of their personal possessions were in a U-Haul

truck which had been rented for the move and which was parked in the parking lot of the Fort Peck Community College dorms where the family had spent their first night in Poplar. The following morning, R.M. found the U-Haul had been stolen.

On the morning of July 2, 2009, law enforcement and fire crews were called to the scene of a vehicle fire north of Poplar. At an area called "The Slab" – a small concrete platform that crosses a creek – officers discovered a burning U-Haul container truck, later determined to be the U-Haul stolen from the parking lot of the college and containing the property of R.M. and his family.

Over the next few days, criminal investigators received tips that the truck had been stolen and burned by LONGTREE and a juvenile, both enrolled members of the Fort Peck Tribes. The two were interviewed and admitted that they had stolen the truck from the parking lot and driven it north. They indicated that they had been drinking and took the truck on impulse. At some point, they got the truck stuck and they decided to burn the evidence. They called a friend to come and pick them up and then set fire to the contents of the container truck.

The theft and destruction of the U-Haul resulted in a loss of \$144,700. This figure represents a loss of \$500 to R.M. (deductible), \$92,050 to Farm Bureau Insurance for the loss of insured property, and \$52,150 to U-Haul for the loss of the truck.

The investigation was conducted by the Fort Peck Tribes Criminal Investigation Division.

MATTHEW PAUL LOVES HIM

On March 8, 2010, MATTHEW PAUL LOVES HIM, a 30-year-old resident of Poplar, was sentenced to a term of:

- Prison: 70 months
- Special Assessment: \$100
- Supervised Release: 5 years

LOVES HIM was sentenced in connection with his guilty plea to sexual abuse.

In an Offer of Proof filed by Assistant U.S. Attorney Paulette L. Stewart, the government stated it would have proved at trial the following:

On December 13, 2007, in Poplar, which is within the exterior boundaries of the Fort Peck Indian Reservation, a female hereafter referred to as "AB" had passed out from drinking. When she awoke, LOVES HIM was on top of her performing a sexual act. AB threw him off her and then hit and scratched him. Both were undressed from the waist down. When AB passed out, she had been fully clothed.

AB immediately left the scene, walked to a neighbor's house, and called the police. AB consented to a sexual assault exam which confirmed rape and the presence of semen in her vaginal cavity. The exam also found tearing consistent with rape.

Law enforcement interviewed LOVES HIM on the same day. LOVES HIM admitted that he had sex with AB while she was passed out. He admitted to raping AB. He said that he should have known what he was doing was wrong. LOVES HIM acknowledged that AB hit and scratched him because she did not want to have sex with him. He said he should go to jail. He concluded the interview with the statement, "I did it and I'm guilty."

The investigation was a cooperative effort between the Federal Bureau of Investigation, the Fort Peck Tribes Criminal Investigation Division, the Poplar Police Department and the Roosevelt County Sheriff's Office.

DAVID MICHAEL ROSEBUD MATHISON

On February 22, 2010, DAVID MICHAEL ROSEBUD MATHISON, a 33-year-old resident of Poplar, was sentenced to a term of:

- Prison: months
- Special Assessment: \$
- Restitution: \$
- Supervised Release: years

MATHISON was sentenced in connection with his guilty plea to bank fraud.

In an Offer of Proof filed by Assistant U.S. Attorney Carl E. Rostad, the government stated it would have proved at trial the following:

The Poplar Community Organization is a non-profit service organization serving the Fort Peck Indian Reservation. The organization raises funds through bake sales, raffles, and other means and then distributes the proceeds to needy Indian families for food, clothing, and provides Indian youth and senior citizen activities for community members. The business affairs are governed by a volunteer board of directors who select a president, treasurer and secretary to manage the day-to-day operations. The organization has a bank account with a local bank, Independence Bank, and the signatures of two officers are required to withdraw funds or make payments to third parties.

On June 15, 2009, MATHISON, who was president of the organization, went to Independence Bank and told a teller that the secretary was ill and could not come to the bank herself to request additional checks for the Poplar Community Organization. He left the bank with ten "counter-checks" (blank checks prepared by the bank) only to return that afternoon with a completed \$6,000 check purportedly co-signed by the secretary. MATHISON explained that the Poplar Community Organization needed the

money in cash to obtain supplies for Wild West Days, a Poplar community event. The bank gave MATHISON \$6,000 in cash.

When the secretary went to the bank the following day, she discovered that the balance on the account was significantly lower than what had been in the account. Upon investigation, it was discovered that her signature had been forged. Her last name was spelled without a "d," and the signature clearly did not correspond to the signature on file at the bank.

An investigation revealed that MATHISON had fraudulently filled out the check and forged the endorsement of the secretary to transact the check. MATHISON stated that he needed the money for travel to Minneapolis where he wanted to enroll in bartending school and embark on a new career. MATHISON told investigators that life in Poplar and his association with the Poplar Community Organization was too overwhelming for him and that he decided he needed to get out. He had hitch-hiked to Wolf Point where he caught the train to Minneapolis. MATHISON further stated that he had been robbed in Minneapolis and that the money was gone.

The investigation was conducted by Fort Peck Tribes Criminal Investigation Division.

DEAN NECKLACE

On July 19, 2010, DEAN NECKLACE, a 35-year-old resident of Brockton, was sentenced to a term of:

- Prison: 37 months
- Special Assessment: \$100
- Supervised Release: 3 years

NECKLACE was sentenced in connection with his guilty plea to domestic assault by a habitual offender.

In an Offer of Proof filed by Assistant U.S. Attorney Carl E. Rostad, the government stated it would have proved at trial the following:

In the early morning hours of December 21, 2009, Fort Peck Tribal Law Enforcement received a call from an individual who advised that his niece, D.W.F., had been beaten by NECKLACE. When officers arrived at the individual's home, they found D.W.F. bloodied and bruised. D.W.F. indicated that she and NECKLACE, who had been living together for the past two months, had been drinking at a local Poplar bar. When they got into the car, NECKLACE began beating her and she was rendered unconscious. When she awoke, NECKLACE was gone.

D.W.F. was then taken to the emergency room where her injuries were photographed and she was treated. NECKLACE was arrested and entered a guilty plea to an assault charge, counseled by an attorney, in Fort Peck Tribal Court.

NECKLACE has at least two prior and separate convictions for domestic violence -- December 14, 2004 and August 30, 2006, both in Billings Municipal Court for partner or family member assault. He also has numerous Fort Peck tribal convictions for domestic violence.

The investigation was a cooperative effort between the Fort Peck Tribes Criminal Investigation Division and the Federal Bureau of Investigation.

ARVIN BON RED STAR

On December 1, 2010, ARVIN BON RED STAR, a 21-year-old resident of Poplar, was sentenced to a term of:

- Prison: 216 months
- Special Assessment: \$100
- Supervised Release: 10 years

RED STAR was sentenced after a federal district court trial in which he was found guilty of aggravated sexual abuse. Assistant U.S. Attorney Marcia K. Hurd prosecuted the case for the United States.

The investigation was conducted by the Federal Bureau of Investigation.

EVADNA M. RUNNING BEAR

On November 2, 2010, EVADNA M. RUNNING BEAR, a 70-year-old resident of Poplar, was sentenced to a term of:

- Prison: 36 months
- Special Assessment: \$200
- Restitution: \$236,170
- Supervised Release: 3 years

RUNNING BEAR was sentenced in connection with her guilty plea to theft from an Indian tribal organization and conspiracy to obstruct a federal audit.

In an Offer of Proof filed by Assistant U.S. Attorney Carl E. Rostad, the government stated it would have proved at trial the following:

In the later part of 2008 and the early part of 2009, Fort Peck Tribal officials retained the services of a Certified Public Accountant to conduct a review of the Credit

Program's finances in anticipation of a year-end audit. The accountant quickly identified excessive loans and discovered that the Credit Program employees and some of their relatives had excessive outstanding short term loans, suggesting that tribal monies had been embezzled, misapplied, or converted to the use of tribal and federal employees of the loan program, and their families.

As of June 2009, the total amount of outstanding short term loans was \$1,675,088. Approximately 48% of this amount (over \$800,000) were loans to Credit Program employees and their families. An investigation by the Department of Interior's Office of Inspector General determined that almost half of all loans were fraudulent.

The Bureau of Indian Affairs (BIA) Branch of Credit maintained oversight of the Fort Peck Credit Program until June 2008, when this Branch was transferred to the Office of Indian Energy and Economic Development (OIEED), Division of Capital Investment, Office of the Assistant Secretary for Indian Affairs. The OIEED transferred administrative oversight of the Fort Peck Credit Program to the Fort Peck Tribes in December 2008 and as of that date the Credit Program was strictly a tribal function. The Fort Peck Credit Program maintains three separate bank accounts with Independence Bank, Poplar, Montana. These bank accounts are dedicated to the Short Term Loan account, the Revolving Credit Fund account and the Entrepreneurial Loan account.

Prior to the transition of oversight authority in December 2008, the Fort Peck Credit Program was staffed with six employees consisting of two federal employees and four subordinate tribal employees. Loan applications were reviewed by a three member Credit Committee who had authority to approve or deny the application pursuant to the Plan of Operations.

From August 12, 1999, to May 29, 2009, hundreds of fraudulent checks exceeding \$1 million were issued from the checking accounts of the Fort Peck Tribal Credit Department to a maximum of \$2,000, to qualifying tribal members. The checks were the consequence of a fraudulent scheme whereby all six of the Credit Program employees conspired to steal money from the Tribal Credit Department by securing unauthorized loans and direct payments for themselves. These disbursements purport to represent legitimate loans, overtime payments, and miscellaneous reimbursements to the employees when, in fact, the employees had far exceeded the maximum loan amount threshold of \$2,000 and their salary was paid separately through the Tribe's Payroll account. In many cases, the employees circumvented the approval authority of the oversight board – the Credit Committee – by falsely representing that approval for the disbursement had been obtained. To further solidify their conspiracy, the employees often split the proceeds of the checks with each other.

The Tribal Credit Program initially operated with \$1.5 million provided to them by the Department of the Interior through the U.S. Direct Loan Fund. The Direct Loan Fund was created to promote access to capital and increase economic opportunity of

American Indians. The Direct Loan created and funded the tribal re-lending program, whereby loans repaid by tribal members would be used to repay the Direct Loan and ultimately create a reserve sufficient to make the Credit Program a viable operation. The Credit Program repaid their U.S. Direct Loan in 1996, and the funds in their account since that time are tribal monies.

During the period of the Indictment, RUNNING BEAR was an employee of the Fort Peck Tribal Credit Department, including service as the Lead Accounting Technician responsible for the technical accuracy of computations, collection schedules, receipts for loan payments and reconciliation of the program's daily account activities. She began her employment at the Credit Program in November 1985 as an Accounting Technician. At the time of her dismissal in July 2009, she was the most senior of the tribal employees and she served as the primary authorized collector for the Credit Program.

Four employees had check signing authority on the Credit Program bank accounts - Toni Greybull (former Supervisory Credit Manager who passed away in March 2008), co-defendants S.P., P.B. and RUNNING BEAR, as did the three members of the Credit Committee. In some occasions loan applications were completed. In most cases, no loan documents could be located to support the disbursements to these employees. The conspiracy further evolved to include the issuance of loan checks to family members of the Credit Program employees, including their husbands, siblings and children.

The investigation identified 184 disbursements from the Credit Program checking accounts payable directly to RUNNING BEAR between August 1999 and May 2009 that total \$181,234. Most of these payments were recorded as short term loans purportedly issued in her name (124 short term loans / \$156,718). Sixty disbursements (\$24,516) were recorded as miscellaneous expenses and purport to represent bonuses, accounts receivable reimbursements and overtime payments directly payable to RUNNING BEAR. The investigation determined that no W-2 was ever issued to RUNNING BEAR, nor were any of the standard deductions withheld from these payments.

In addition, RUNNING BEAR admitted to her involvement in the unauthorized issuance of an additional 30 short term loans, totaling \$42,434, purportedly issued in the names of her children and grandchildren to which she personally benefitted.

The scheme was in danger of discovery in September 2007 when the BIA conducted a program review of this Tribal Credit Program. When interviewed, RUNNING BEAR and the other employees admitted that immediately prior to this internal review they changed the names on their loan files to conceal the short term loans they had issued themselves. The employee names were replaced with the names of deceased tribal members to prevent the discovery of the excessive disbursements during the federal review. Two federal employees – the BIA Regional Credit Officer and another BIA employee (review team) – were assigned to conduct the program review amidst

complaints by the Tribal Chairman that the BIA Agency officials refused to disclose information concerning loan recipients to the Tribal Executive Board. The internal review team met with Greybull, S.P. and P.B. during their review. Altered records were provided to the BIA review team which concealed both long term and short term loans obtained by the Credit Program staff. By switching the loan account names, the Credit Program employees were able to reduce the outstanding short term loan balance by \$550,000 and thereby concealing their thefts. In addition, the review team was provided with an altered list of long term loans which omitted \$112,659 in long term loans obtained by the staff and/or their family members. The investigation further confirmed that RUNNING BEAR obtained a long term loan from the Credit Program in the amount of \$40,233. Repayment records reflect an outstanding balance of \$12,502, with no payments remitted since March 2005.

In December 2008, federal oversight of the Tribal Credit Program was discontinued and the two federal employees were reassigned. The mid 2009 year-end audit referred to above was conducted by the Tribe's accountant and prompted the federal investigation by the Office of Inspector General. Both the accountant and the federal investigators found that collection action on the outstanding loans was nearly non-existent. In some instances, loan files contained no accompanying/supporting documentation denoting approval for the issuance of the loan or details on the repayments terms of the loan.

In July 2009, RUNNING BEAR and the other three tribal employees were interviewed by the Tribe's Chief Financial Officer wherein they admitted to obtaining excessive unauthorized loans from the Credit Program. All four tribal employees, as well as federal employee P.B., subsequently admitted to federal investigators their participation in the fraud scheme and further identified the disbursements to which they were not entitled to receive.

The investigation was conducted by the U.S. Department of the Interior - Inspector General's Office.

LUKE JOHN SCOTT

On July 26, 2010, LUKE JOHN SCOTT, a 22-year-old resident of Poplar, was sentenced to a term of:

- Prison: 33 months
- Special Assessment: \$100
- Supervised Release: 3 years

SCOTT was sentenced in connection with his guilty plea to assault resulting in serious bodily injury.

In an Offer of Proof filed by Assistant U.S. Attorney Vince Carroll, the government stated it would have proved at trial the following:

On August 14, 2008, R.O. and her longtime boyfriend/husband J.S. were at R.O.'s residence in Poplar (which is within the exterior boundaries of the Fort Peck Indian Reservation) playing cards with SCOTT and his girlfriend H.T. H.T. and SCOTT got into an argument and began to fight. H.T. ran out of the house.

R.O. and J.S. tried to keep SCOTT from chasing H.T. SCOTT pushed J.S. down and kicked him. R.O. tried to help J.S., but SCOTT knocked her down and kicked her in the forehead and in the mouth, causing significant injury to R.O.'s teeth.

R.O. and J.S. (who later died from unrelated causes), were taken to the Poplar Hospital and then flown to Billings. R.O. had to have several teeth removed from the upper center of her mouth because her teeth had been knocked back deep inside her mouth. R.O. also suffered a fractured upper jaw. R.O. stated that she had experienced an extreme amount of pain from her injuries and the acute care nurse practitioner had stated that R.O.'s injuries constituted serious bodily injury.

The investigation was a cooperative effort between the Federal Bureau of Investigation and Fort Peck Tribes Criminal Investigation Division.

CONNIE JEAN SMITH

On October 21, 2010, CONNIE JEAN SMITH, a 51-year-old resident of Poplar, was sentenced to a term of:

- Prison: 30 months
- Special Assessment: \$200
- Restitution: \$152,963
- Supervised Release: 3 years

SMITH was sentenced in connection with her guilty plea to theft from an Indian tribal organization and conspiracy to obstruct a federal audit.

In an Offer of Proof filed by Assistant U.S. Attorney Carl E. Rostad, the government stated it would have proved at trial the following:

In the later part of 2008 and the early part of 2009, Fort Peck Tribal officials retained the services of a Certified Public Accountant to conduct a review of the Credit Program's finances in anticipation of a year-end audit. The accountant quickly identified excessive loans and discovered that the Credit Program employees and some of their relatives had excessive outstanding short term loans, suggesting that tribal monies had been embezzled, misapplied, or converted to the use of tribal and federal employees of the loan program, and their families.

As of June 2009, the total amount of outstanding short term loans was \$1,675,088. Approximately 48% of this amount (over \$800,000) were loans to Credit Program

employees and their families. An investigation by the Department of Interior's Office of Inspector General determined that almost half of all loans were fraudulent.

The Bureau of Indian Affairs (BIA) Branch of Credit maintained oversight of the Fort Peck Credit Program until June 2008, when this Branch was transferred to the Office of Indian Energy and Economic Development (OIEED), Division of Capital Investment, Office of the Assistant Secretary for Indian Affairs. The OIEED transferred administrative oversight of the Fort Peck Credit Program to the Fort Peck Tribes in December 2008 and as of that date the Credit Program was strictly a tribal function. The Fort Peck Credit Program maintains three separate bank accounts with Independence Bank, Poplar, Montana. These bank accounts are dedicated to the Short Term Loan account, the Revolving Credit Fund account and the Entrepreneurial Loan account.

Prior to the transition of oversight authority in December 2008, the Fort Peck Credit Program was staffed with six employees consisting of two federal employees and four subordinate tribal employees. Loan applications were reviewed by a three member Credit Committee who had authority to approve or deny the application pursuant to the Plan of Operations.

From August 12, 1999, to May 29, 2009, hundreds of fraudulent checks exceeding \$1 million were issued from the checking accounts of the Fort Peck Tribal Credit Department to a maximum of \$2,000, to qualifying tribal members. The checks were the consequence of a fraudulent scheme whereby all six of the Credit Program employees conspired to steal money from the Tribal Credit Department by securing unauthorized loans and direct payments for themselves. These disbursements purport to represent legitimate loans, overtime payments, and miscellaneous reimbursements to the employees when, in fact, the employees had far exceeded the maximum loan amount threshold of \$2,000 and their salary was paid separately through the Tribe's Payroll account. In many cases, the employees circumvented the approval authority of the oversight board – the Credit Committee – by falsely representing that approval for the disbursement had been obtained. To further solidify their conspiracy, the employees often split the proceeds of the checks with each other.

The Tribal Credit Program initially operated with \$1.5 million provided to them by the Department of the Interior through the U.S. Direct Loan Fund. The Direct Loan Fund was created to promote access to capital and increase economic opportunity of American Indians. The Direct Loan created and funded the tribal re-lending program, whereby loans repaid by tribal members would be used to repay the Direct Loan and ultimately create a reserve sufficient to make the Credit Program a viable operation. The Credit Program repaid their U.S. Direct Loan in 1996, and the funds in their account since that time are tribal monies.

During the period of the Indictment, SMITH was an employee of the Fort Peck Tribal Credit Department, including service as the Accounts Maintenance Clerk responsible

for the accurate reconciliation of the program's balance sheets. She began her employment at the Credit Program in November 1999 as an Administrative Clerk. At the time of her dismissal in July 2009, she was responsible for the maintenance of financial reports, bank statements and canceled checks.

Four employees had check signing authority on the Credit Program bank accounts - Toni Greybull (former Supervisory Credit Manager who passed away in March 2008), co-defendants S.P., P.B. and E.R.B., as did the three members of the Credit Committee. In some occasions loan applications were completed. In most cases, no loan documents could be located to support the disbursements to these employees. The conspiracy further evolved to include the issuance of loan checks to family members of the Credit Program employees, including their husbands, siblings and children.

The investigation identified 85 disbursements from the Credit Program checking accounts payable directly to SMITH between August 2002 and February 2009 that total \$69,736. Most of these payments were recorded as short term loans purportedly issued in her name (60 short term loans / \$61,988). Twenty-five disbursements (\$7,748) were recorded as miscellaneous expenses and purport to represent bonuses, accounts receivable reimbursements and overtime payments directly payable to SMITH. The investigation determined that no W-2 was ever issued to SMITH, nor were any of the standard deductions withheld from these payments.

In addition, the investigation identified \$28,232 in additional disbursements from the Credit Program as short term loans in the names of her mother and sister. Internal records from the Credit Program revealed 38 short term loans and three miscellaneous checks payable to SMITH's husband in the amount of \$37,338.

The scheme was in danger of discovery in September 2007 when the BIA conducted a program review of this Tribal Credit Program. When interviewed, SMITH and the other employees admitted that immediately prior to this internal review they changed the names on their loan files to conceal the short term loans they had issued themselves. The employee names were replaced with the names of deceased tribal members to prevent the discovery of the excessive disbursements during the federal review. Two federal employees – the BIA Regional Credit Officer and another BIA employee (review team) – were assigned to conduct the program review amidst complaints by the Tribal Chairman that the BIA Agency officials refused to disclose information concerning loan recipients to the Tribal Executive Board. The internal review team met with Greybull, S.P. and P.B. during their review. Altered records were provided to the BIA review team which concealed both long term and short term loans obtained by the Credit Program staff. By switching the loan account names, the Credit Program employees were able to reduce the outstanding short term loan balance by \$550,000 and thereby concealing their thefts. In addition, the review team was provided with an altered list of long term loans which omitted \$112,659 in long term loans obtained by the staff and/or their family members. The investigation further confirmed that SMITH and her husband

obtained a long term loan from the Credit Program in the amount of \$52,294. Repayment records reflect an outstanding balance of \$17,657.

In December 2008, federal oversight of the Tribal Credit Program was discontinued and the two federal employees were reassigned. The mid 2009 year-end audit referred to above was conducted by the Tribe's accountant and prompted the federal investigation by the Office of Inspector General. Both the accountant and the federal investigators found that collection action on the outstanding loans was nearly non-existent. In some instances, loan files contained no accompanying/supporting documentation denoting approval for the issuance of the loan or details on the repayments terms of the loan.

In July 2009, SMITH and the other three tribal employees were interviewed by the Tribe's Chief Financial Officer wherein they admitted to obtaining excessive unauthorized loans from the Credit Program. All four tribal employees, as well as federal employee P.B., subsequently admitted to federal investigators their participation in the fraud scheme and further identified the disbursements to which they were not entitled to receive.

The investigation was conducted by the U.S. Department of the Interior - Inspector General's Office.

EDWARD ORVEL SMITH

On December 20, 2010, EDWARD ORVEL SMITH, a 60-year-old resident of Wolf Point, was sentenced to a term of:

- Prison: 6 months
- Special Assessment: \$100
- Restitution: \$24,040
- Supervised Release: 3 years

SMITH was sentenced in connection with his guilty plea to theft from an Indian tribal organization.

In an Offer of Proof filed by Assistant U.S. Attorney Carl E. Rostad, the government stated it would have proved at trial the following:

In the later part of 2008 and the early part of 2009, Fort Peck Tribal officials retained the services of a Certified Public Accountant to conduct a review of the Credit Program's finances in anticipation of a year-end audit. The accountant quickly identified excessive loans and discovered that the Credit Program employees and some of their relatives had excessive outstanding short term loans, suggesting that tribal monies had been embezzled, misapplied, or converted to the use of tribal and federal employees of the loan program, and their families.

As of June 2009, the total amount of outstanding short term loans was \$1,675,088. Approximately 48% of this amount (over \$800,000) were loans to Credit Program employees and their families. An investigation by the Department of Interior's Office of Inspector General determined that almost half of all loans were fraudulent.

The Bureau of Indian Affairs' (BIA) Branch of Credit maintained oversight of the Fort Peck Credit Program until June 2008, when this Branch was transferred to the Office of Indian Energy and Economic Development (OIEED), Division of Capital Investment, Office of the Assistant Secretary for Indian Affairs. The OIEED transferred administrative oversight of the Fort Peck Credit Program to the Fort Peck Tribes in December 2008 and as of that date the Credit Program was strictly a tribal function. The Fort Peck Credit Program maintains three separate bank accounts with Independence Bank, Poplar, Montana. These bank accounts are dedicated to the Short Term Loan account, the Revolving Credit Fund account and the Entrepreneurial Loan account.

Prior to the transition of oversight authority in December 2008, the Fort Peck Credit Program was staffed with six employees consisting of two federal employees and four subordinate tribal employees. Loan applications were reviewed by a three member Credit Committee who had authority to approve or deny the application pursuant to the Plan of Operations.

From August 12, 1999, to May 29, 2009, hundreds of fraudulent checks exceeding \$1 million were issued from the checking accounts of the Fort Peck Tribal Credit Department to a maximum of \$2,000, to qualifying tribal members. The checks were the consequence of a fraudulent scheme whereby all six of the Credit Program employees conspired to steal money from the Tribal Credit Department by securing unauthorized loans and direct payments for themselves. These disbursements purport to represent legitimate loans, overtime payments, and miscellaneous reimbursements to the employees when, in fact, the employees had far exceeded the maximum loan amount threshold of \$2,000 and their salary was paid separately through the Tribe's Payroll account. In many cases, the employees circumvented the approval authority of the oversight board – the Credit Committee – by falsely representing that approval for the disbursement had been obtained. To further solidify their conspiracy, the employees often split the proceeds of the checks with each other.

The Tribal Credit Program initially operated with \$1.5 million provided to them by the Department of the Interior through the U.S. Direct Loan Fund. The Direct Loan Fund was created to promote access to capital and increase economic opportunity of American Indians. The Direct Loan created and funded the tribal re-lending program, whereby loans repaid by tribal members would be used to repay the Direct Loan and ultimately create a reserve sufficient to make the Credit Program a viable operation. The Credit Program repaid their U.S. Direct Loan in 1996, and the funds in their account since that time are tribal monies.

Four employees had check signing authority on the Credit Program bank accounts - Toni Greybull (former Supervisory Credit Manager who passed away in March 2008), Shelly Pipe, Paul Bemer and Evadna Running Bear, as did the three members of the Credit Committee.

During the period of the Indictment, SMITH was employed by the Fort Peck Tribes as a heavy equipment operator. His wife, Connie Jean Smith, was an employee of the Fort Peck Tribal Credit Department, including service as the Accounts Maintenance Clerk.

The investigation identified 41 disbursements from the Credit Program checking accounts payable directly to SMITH between December 2003 and May 2009, totaling \$37,338. Most of these payments were recorded as short term loans purportedly issued in his name (38 short term loans / \$36,788). Three other disbursements (\$550) were recorded as miscellaneous expenses. A review of the related loan documents reflect that only four of SMITH's short term loan applications were submitted to the Credit Committee for their approval.

The investigation further confirmed that EDWARD SMITH and Connie Smith obtained a long term loan from the Credit Program in the amount of \$52,294. Repayment records reflect an outstanding balance of \$17,657. SMITH admitted that he routinely split the proceeds of these loan checks with Toni Greybull as payment to her for her assistance in securing the loan check. SMITH further admitted that after Greybull died in 2008, he routinely split the proceeds of loan checks with Evadna Running Bear as payment to her for her assistance in securing the loan check.

The investigation was conducted by the U.S. Department of the Interior - Inspector General's Office.

ROBERT DARRYL WAR CLUB

On January 7, 2010, ROBERT DARRYL WAR CLUB, a 49-year-old resident of Wolf Point, was sentenced to a term of:

- Prison: life
- Special Assessment: \$100
- Restitution: \$5,466.84

WAR CLUB was sentenced after having been found guilty during a 4-day trial of first degree murder. Assistant U.S. Attorneys Lori Harper Suek and Vince Carroll prosecuted the case for the United States.

The investigation was a cooperative effort between the Fort Peck Tribes Criminal Investigation Division and the Federal Bureau of Investigation.

INDIAN COUNTRY - NORTHERN CHEYENNE RESERVATION

BRIAN LEE BLACKWOLF

On August 26, 2010, BRIAN LEE BLACKWOLF, a 29-year-old resident of Lame Deer, was sentenced to a term of:

- Prison: 30 months
- Special Assessment: \$100
- Supervised Release: 10 years

BLACKWOLF was sentenced in connection with his guilty plea to sexual abuse of a minor.

In an Offer of Proof filed by Assistant U.S. Attorney Marcia K. Hurd, the government stated it would have proved at trial the following:

In December 2009, a juvenile female disclosed that she had been sexually abused by BLACKWOLF when she was 14 years old – in August 2008 and into the fall of 2008. She stated that BLACKWOLF had sexual intercourse with her four times at the home of BLACKWOLF and his wife in Lame Deer. The sexual activity was arranged by his wife.

BLACKWOLF was interviewed and also provided a handwritten statement. He admitted that in August 2008 and into the fall that he had sexual intercourse with the victim three times. He stated that his wife set it up the first time by asking him if he would. He believed that the victim was 12 or 13-years-old at the time. He knew that she was too young and that he could go to jail, but he thought that he would not get caught.

BLACKWOLF's wife was interviewed and admitted arranging the sexual activity for her husband because she thought it would help his erectile dysfunction. At the time of the sexual activity, the victim was 14-years-old and BLACKWOLF was 30-years-old. Both BLACKWOLF and his wife are Indian persons and the events occurred within the exterior boundaries of the Northern Cheyenne Indian Reservation.

The investigation was a cooperative effort between the Bureau of Indian Affairs and the Federal Bureau of Investigation.

ROY FIGHTING BEAR, JR.

On December 15, 2010, ROY FIGHTING BEAR, JR., a 43-year-old resident of Lame Deer, was sentenced to a term of:

- Prison: 27 months

- Special Assessment: \$100
- Supervised Release: 3 years

FIGHTING BEAR was sentenced in connection with his guilty plea to assault resulting in serious bodily injury.

In an Offer of Proof filed by Assistant U.S. Attorney Lori Harper Suek, the government stated it would have proved at trial the following:

On April 14, 2010, FIGHTING BEAR and his common-law wife were drinking alcohol in Lame Deer, which is within the exterior boundaries of the Northern Cheyenne Indian Reservation. FIGHTING BEAR then beat his wife and left her covered in blood lying behind a shed. She walked to a friend's house and was taken to Indian Health Services, where law enforcement photographed her injuries and questioned her.

FIGHTING BEAR had repeatedly struck and kicked the victim about the face and head causing several facial lacerations and a neck injury. The victim suffered a deep laceration on her left forehead, causing her left eye to swell shut, and a laceration to her right eyebrow. FIGHTING BEAR also broke the victim's nose.

When FIGHTING BEAR was questioned, he did not directly admit that he beat his common-law wife, but he made indirect admissions that would have proven that he beat her and caused her injuries.

The investigation was a cooperative effort between the Federal Bureau of Investigation and the Bureau of Indian Affairs.

ADRIAN GARY GOODBEAR

O August 12, 2010, ADRIAN GARY GOODBEAR, a 34-year-old resident of Lame Deer, was sentenced to a term of:

- Prison: life
- Special Assessment: \$100
- Restitution: \$24,875.81

GOODBEAR was sentenced in connection with his guilty plea to second degree murder.

In an Offer of Proof filed by Assistant U.S. Attorneys Lori Harper Suek and Jessica T. Fehr, the government stated it would have proved at trial the following:

On August 28, 2008, L.G.B., GOODBEAR's 6-year-old daughter, was transported to Indian Health Services (IHS) in Lame Deer with extensive injuries and the police were contacted. GOODBEAR told police that L.G.B. had fallen out of a tree. Medical

personnel at Lame Deer advised that the injuries were inconsistent with a fall from a tree.

The 6-year-old was transported, via helicopter, to St. Vincent's Hospital in Billings for further medical treatment because of the extent of her injuries. L.G.B. had extensive injuries to her back, abdomen, head, and legs caused by non-accidental trauma. The injuries could not have been caused by a single fall from a tree. While at St. Vincent's, medical personnel determined that L.G.B. had no brain activity. She was subsequently transported to Denver Children's Hospital.

Medical personnel in Denver determined that L.G.B. suffered from a lacerated liver, lacerated spleen, subdural hematoma, and multiple other injuries. Denver medical personnel concurred with medical personnel at St. Vincent's that the injuries were caused by non-accidental trauma. L.G.B. was pronounced dead in Denver on the afternoon of August 30, 2008.

Although, initially, interviews of family members repeated GOODBEAR's story – that L.G.B. had fallen from a tree – ultimately the investigators learned the following. Through interviews with the stepmother and the other siblings, investigators learned that on the evening of August 28, 2008, GOODBEAR took L.G.B. into a back bedroom, closed the door, and assaulted her with his hands and feet and belt for about 20 minutes. L.G.B. then was silent. Approximately 30 minutes later, GOODBEAR told the stepmother that L.G.B. was not breathing. The stepmother wanted to take L.G.B. to IHS; GOODBEAR refused, saying he would go to jail for assault. After the stepmother's father intervened, L.G.B. was transported to IHS in Lame Deer about an hour after L.G.B. fell silent.

K.H. (age 13), a stepbrother of L.G.B.'s, reported that he heard L.G.B. screaming on the evening of August 28, 2008, and he observed GOODBEAR striking her with a belt. He also saw GOODBEAR and his mother put L.G.B. on the hood of the car and try and resuscitate her.

The autopsy of L.G.B. performed in Denver, noted that L.G.B.'s injuries were consistent with being violently kicked and struck. L.G.B. had abrasions and bruising on almost every surface of her body. The cause of death was blunt force trauma to the head, which resulted in a large subdural hematoma. The autopsy revealed a multitude of other injuries.

When interviewed, GOODBEAR stated that L.G.B. fell from a tree. When confronted with the factual inconsistencies of his explanation and the medical findings, he requested a lawyer.

The investigation was a cooperative effort between the Federal Bureau of Investigation and the Bureau of Indian Affairs.

MARCIA ANN GOODBEAR

On December 16, 2010, MARCIA ANN GOODBEAR, a 34-year-old resident of Lame Deer, was sentenced to a term of:

- Prison: 37 months
- Special Assessment: \$200
- Restitution: \$12,763.66
- Supervised Release: 3 years

GOODBEAR was sentenced in connection with her guilty plea to assault resulting in serious bodily injury and misprision of a felony.

In an Offer of Proof filed by Assistant U.S. Attorneys Lori Harper Suek and Jessica T. Fehr, the government stated it would have proved at trial the following:

On August 28, 2008, L.G.B. Goodbear, age 6-years-old, GOODBEAR's step-daughter, was transported to Indian Health Services (IHS) in Lame Deer with extensive injuries where police were contacted. GOODBEAR's husband, Adrian Goodbear, told police that L.G.B. had fallen out of a tree. GOODBEAR also told medical personnel and then later law enforcement the same story. Medical personnel at Lame Deer advised that the injuries were inconsistent with a fall from a tree.

L.G.B. was transported, via helicopter, to St. Vincent's Hospital in Billings for further medical treatment and because of the extent of her injuries. L.G.B. had extensive injuries to her back, abdomen, head, and legs caused by non-accidental trauma. The injuries could not have been caused by a single fall from a tree. While at St. Vincent's, medical personnel determined that L.G.B. had no brain activity. She was subsequently transported to Denver Children's Hospital.

Medical personnel in Denver determined that L.G.B. suffered from a lacerated liver, lacerated spleen, subdural hematoma, and multiple other injuries. Denver medical personnel concurred with medical personnel at St. Vincent's that the injuries were caused by non-accidental trauma. L.G.B. was pronounced dead in Denver on the afternoon of August 30, 2008.

Initial interviews of family members, including GOODBEAR, revealed inconsistencies with Adrian Goodbear's story. When Adrian Goodbear was confronted with these inconsistencies and the medical findings, he requested a lawyer.

Through repeated interviews with GOODBEAR and other family members, law enforcement learned that on the evening of August 28, 2008, Adrian Goodbear took L.G.B. into a back bedroom, closed the door, and assaulted her with his hands and feet for about 20 minutes. L.G.B. then was silent. During that time, GOODBEAR did nothing to stop the assault. Approximately 30 minutes later, Adrian Goodbear told

GOODBEAR that L.G.B. was not breathing. GOODBEAR wanted to take L.G.B. to IHS, but Adrian Goodbear refused, saying he would go to jail for assault. It took the intervention of GOODBEAR's father before L.G.B. was transported to IHS in Lane Deer about an hour after she fell silent.

After Adrian Goodbear pled guilty to second degree murder, GOODBEAR was re-interviewed. During that interview on February 19, 2009, she admitted that she helped Adrian Goodbear get rid of evidence and clean up the room in which the assault took place. She also admitted that at about the same time, she struck S.G.B., L.G.B.'s little sister who was 2-years-old at the time, in the back which caused S.G.B. to strike the wall with her head. S.G.B. was removed from the home the next day and had a huge swollen bruise on her forehead. GOODBEAR admitted that she caused that injury.

The investigation was a cooperative effort between the Federal Bureau of Investigation and the Bureau of Indian Affairs.

JOSEPH DANIEL LITTLE COYOTE, SR.

On November 3, 2010, JOSEPH DANIEL LITTLE COYOTE, SR., a 67-year-old resident of Lane Deer/Ashland, was sentenced to a term of:

- Prison: 12 months and 1 day
- Special Assessment: \$500
- Supervised Release: 4 years

LITTLE COYOTE was sentenced in connection with his guilty plea to (5) counts of distribution of marijuana to persons under the age of 21.

In an Offer of Proof filed by Assistant U.S. Attorney Marcia K. Hurd, the government stated it would have proved at trial the following:

LITTLE COYOTE came under investigation when the FBI received information that he had been routinely providing marijuana to juveniles on the Northern Cheyenne Indian Reservation for a number of years. It was alleged that LITTLE COYOTE allowed them to smoke his marijuana with him as well as gave them marijuana to smoke on their own. A number of juveniles gave statements to law enforcement about LITTLE COYOTE's marijuana usage and his giving them marijuana to smoke in 2005 and 2006, and in some cases, continuing until recently.

Evidence at trial would have been presented by a number of juveniles and adults who either received such distributions or were present when others did. LITTLE COYOTE did not distribute for any monetary gain and the amount he distributed is unknown. The investigation was conducted by the Federal Bureau of Investigation.

GEORGE VICTOR MORRIS

On October 13, 2010, GEORGE VICTOR MORRIS, a 59-year-old resident of Lockwood, was sentenced to a term of:

- Prison: 188 months
- Special Assessment: \$100
- Forfeiture: cash and cars
- Supervised Release: 8 years

MORRIS was sentenced in connection with his guilty plea to conspiracy to distribute methamphetamine as part of a tribal drug operation, "Junkyard Dog."

In an Offer of Proof filed by Assistant U.S. Attorneys Lori Harper Suek and Jessica T. Fehr, the government stated it would have proved at trial the following:

Since 2005, law enforcement has been conducting an ongoing investigation into a drug trafficking organization operating in the Billings area, as well as the Crow and Northern Cheyenne Indian Reservations. The organization distributed methamphetamine. The primary target of the investigation was MORRIS. Law enforcement's investigation revealed that MORRIS' drug trafficking operation was based out of his home in Billings, as well as at his junkyard, which is located on the Northern Cheyenne Indian Reservation.

Law enforcement learned that MORRIS' methamphetamine sources were from Washington. Sources told law enforcement that the process was always the same when MORRIS received a shipment of methamphetamine. The individuals delivering the methamphetamine called MORRIS when they arrived at the stop near MORRIS' home. The delivery vehicle was then driven to MORRIS' residence or another location and parked in a garage. The delivery people would leave MORRIS' residence for a short period of time. While the delivery people were gone, MORRIS would remove the methamphetamine from the vehicle. MORRIS removed the methamphetamine from the stash compartment and replaced the methamphetamine with money. After retrieving the methamphetamine from the vehicle, MORRIS would leave some of the methamphetamine at his residence and transport some of the methamphetamine to the junkyard on the Northern Cheyenne Indian Reservation for distribution. Additional methamphetamine was sent to a co-conspirator's residence for distribution. Numerous individuals would have testified that they regularly purchased methamphetamine from MORRIS at his residence, at the Junkyard, and from a co-conspirator's residence during the course of the conspiracy.

Deliveries of suspected methamphetamine in the above described manner were confirmed by law enforcement on August 2, 2009, August 19, 2009, October 14, 2009 and December 20, 2009. Each delivery was couriered by an out of state vehicle and

delivered to the MORRIS' residence or a co-conspirator's residence for transfer of the drugs for money.

During the course of the conspiracy, 2005 to December 2009, MORRIS received regular shipments of methamphetamine from Washington every three to four weeks. The amounts delivered to MORRIS varied from a quarter of a pound of methamphetamine to two pounds of methamphetamine per trip. During the course of the conspiracy MORRIS received and distributed more than 500 grams of methamphetamine.

The investigation was a cooperative effort between the City-County Special Investigation Unit in Billings, the Billings Big Sky Safe Streets Task Force, the High Intensity Drug Trafficking Area (HIDTA) Task Force, the Drug Enforcement Administration and the Bureau of Indian Affairs.

ATALOA ROSE RUNS ABOVE

On September 2, 2010, ATALOA ROSE RUNS ABOVE, a 32-year-old resident of Lame Deer, was sentenced to a term of:

- Prison: 35 months
- Special Assessment: \$100
- Supervised Release: 15 years

RUNS ABOVE was sentenced in connection with her guilty plea to aiding and abetting the sexual abuse of a minor.

In an Offer of Proof filed by Assistant U.S. Attorney Marcia K. Hurd, the government stated it would have proved at trial the following:

In December 2009, a juvenile female disclosed that she had been sexually abused by RUNS ABOVE's husband, Brian Blackwolf, when she was 14 years old – in August 2008 and into the fall of 2008. She stated that he had sexual intercourse with her four times at the home of RUNS ABOVE and Blackwolf in Lame Deer. The sexual activity was arranged by RUNS ABOVE.

Blackwolf was interviewed and also provided a handwritten statement. He admitted that in August 2008 and into the fall that he had sexual intercourse with the victim three times. He stated that RUNS ABOVE set it up the first time by asking him if he would. He believed that the victim was 12 or 13-years-old at the time. He knew that she was too young and that he could go to jail, but he thought that he would not get caught.

RUNS ABOVE was interviewed and admitted arranging the sexual activity for Blackwolf because she thought it would help his erectile dysfunction. At the time of the sexual activity, the victim was 14-years-old and Blackwolf was 30-years-old. Both RUNS

ABOVE and Blackwolf are Indian persons and the events occurred within the exterior boundaries of the Northern Cheyenne Indian Reservation.

Blackwolf has been already been sentenced.

The investigation was a cooperative effort between the Bureau of Indian Affairs and the Federal Bureau of Investigation.

DALE ANDREW ROUNDSTONE

On May 14, 2010, DALE ANDREW ROUNDSTONE, a 41-year-old resident of Lame Deer, was sentenced to a term of:

- Prison: 151 months
- Special Assessment: \$200
- Supervised Release: 5 years

ROUNDSTONE was sentenced after having been found guilty during a 3-day trial of kidnapping and assault resulting in serious bodily injury within the exterior boundaries of the Northern Cheyenne Indian Reservation. Assistant U.S. Attorney Lori Harper Suek prosecuted the case for the United States.

The investigation was a cooperative effort between the Federal Bureau of Investigation and Bureau of Indian Affairs.

COLLINS RAY RUSSELL

On May 6, 2010, COLLINS RAY RUSSELL, a 22-year-old resident of Billings, was sentenced to a term of:

- Prison: 72 months
- Special Assessment: \$200
- Supervised Release: 3 years

RUSSELL was sentenced in connection with his guilty plea to possession with the intent to distribute marijuana and possession of a firearm during a drug trafficking crime.

In an Offer of Proof filed by Assistant U.S. Attorney Lori Harper Suek, the government stated it would have proved at trial the following:

On March 1, 2009, law enforcement received information that RUSSELL was driving from Billings toward the Northern Cheyenne Reservation with marijuana. They were also provided a description of the car. Big Horn County and Crow law enforcement kept a look-out for the car and advised Northern Cheyenne law enforcement as it passed

through their jurisdictions. When the car arrived in Busby, law enforcement pulled over the car because another male occupant of the car had an outstanding tribal warrant for domestic violence. RUSSELL, a federal felon on supervised release at the time, was driving. He gave permission for the officer to look in the trunk. The trunk had a strong odor of marijuana. RUSSELL quickly shut the trunk and tried to divert the officer's attention by telling him that there was alcohol in the car. All of the occupants (RUSSELL, another male and a woman) were arrested for possession of alcohol.

In a search conducted after the arrests, a gun was found under the dashboard in the center between the passenger and driver. About 1½ pounds of marijuana were found in the trunk.

Witnesses confirmed that RUSSELL had guns, and was seen with a similar handgun prior to the stop. His fingerprints were found on a cartridge that was seized along with the gun from the car. Pictures of RUSSELL holding the gun were on RUSSELL's cell phone.

The investigation was a cooperative effort between the Bureau of Indian Affairs and the Federal Bureau of Investigation.

SHANE MICHAEL SANDCRANE

On February 19, 2010, SHANE MICHAEL SANDCRANE, a 21-year-old resident of Ashland, was sentenced to a term of:

- Prison: 540 months
- Special Assessment: \$100
- Restitution: \$5,811.10
- Supervised Release: 5 years

SANDCRANE was sentenced in connection with his guilty plea to aiding and abetting second degree murder.

In an Offer of Proof filed by Assistant U.S. Attorney Lori Harper Suek, the government stated it would have proved at trial the following:

The Bureau of Indian Affairs received a report that an adult female (R.W.T.) was missing. BIA officers initiated a missing persons investigation. Officers learned that R.W.T. was last seen leaving a party with Reno Runs Above. As the investigation progressed, officers eventually suspected foul play and converted the missing persons investigation into a criminal investigation. Their suspicions led them to three people – Trinidad Quiroz, his son, SANDCRANE, and Runs Above. Although officers received conflicting information from Runs Above and SANDCRANE, they were able to distill the following.

R.W.T. left the party with Runs Above and they eventually met up with Quiroz and SANDCRANE. All four were drinking in a trailer on the Northern Cheyenne Indian Reservation. As they drank, the men attempted to convince R.W.T. to have sex with all three of them. She repeatedly told the men no. Her denials made Quiroz angry. All three men assaulted her. Quiroz and SANDCRANE attempted to break her neck and kill her. After the assault, Quiroz and SANDCRANE left R.W.T. and Runs Above at the trailer. They returned to the trailer a short time later with a gun that Runs Above had stolen and then sold to Quiroz about six months prior. Quiroz shot R.W.T. in her left temple.

After discussing different ways to get rid of the body, the men carried the body outside and put it on the hood of a car. Their intent was to drive to a nearby river and sink or bury the body. The body fell off the hood and Quiroz, who was driving, drove over the body and then backed over the body. The body fell off of the hood a second time. They then talked about burying the body, but could not do it without shovels. It is disputed who came up with the idea of burning the body, but it is undisputed that all three put the body back on the hood, drove back to the trailer, and drug the body to a fire pit close to the trailer. The men burned her body and furniture from the trailer. They also burned the carpet in the living room where R.W.T. was shot, and burned their clothing, to destroy any evidence of the murder. Later, they burned and abandoned the car that they had used to transport and to drive over the body. Witnesses stated that the fire burned for five days.

The day after the murder, the men returned to the trailer with bleach to clean up blood and destroy more evidence.

About a week after the murder, Quiroz shot himself with the same gun that he used to murder R.W.T. After his suicide, Runs Above and SANDCRANE agreed not to tell law enforcement about the murder and the cover-up.

Runs Above was confronted by the owner of the trailer about the burned furniture and carpet. The owner also confronted him about a large amount of blood outside of the front door on the porch, the steps leading up to the porch, and on a rug near the steps. The owner said that Runs Above "got mad and walked off." The next day, the porch, front steps, and rug were burned. Runs Above was also questioned by R.W.T.'s brother. He asked Runs Above about the fire. Runs Above told him that they were cold.

Law enforcement searched the trailer and tried to recover whatever evidence they could that was left. They found a bullet hole in the wall. SANDCRANE confirmed that it was caused by the bullet that killed R.W.T. Bone fragments and ash taken from the fire pit were sent to the lab for DNA testing, but because they were so badly burned, no DNA testing could be performed.

The investigation was a cooperative effort between the Federal Bureau of Investigation and the Bureau of Indian Affairs.

CHARLES WILLIAM SPOTTED ELK-BOOTH, JR.

On April 7, 2010, CHARLES WILLIAM SPOTTED ELK-BOOTH, JR., a resident of Lame Deer, was sentenced to a term of:

- Prison: 300 months
- Special Assessment: \$100
- Supervised Release: 15 years

SPOTTED ELK-BOOTH was sentenced after having been found guilty at trial of attempted aggravated sexual abuse. Assistant U.S. Attorney Lori Harper Suek prosecuted the case for the United States.

The investigation was a cooperative effort between the Federal Bureau of Investigation and the Bureau of Indian Affairs.

JUSTIN PHILLIP WHITEMAN

On March 31, 2010, JUSTIN PHILLIP WHITEMAN, a 20-year-old resident of Hardin, was sentenced to a term of:

- Probation: 3 years
- Special Assessment: \$100
- Restitution: \$17,515.82

WHITEMAN was sentenced in connection with his guilty plea to theft.

In an Offer of Proof filed by Assistant U.S. Attorney Lori Harper Suek, the government stated it would have proved at trial the following:

On the evening of December 19, 2008, the Bureau of Indian Affairs (BIA) received a report that there was a stolen pickup that had been wrecked by the Busby Post Office on the Northern Cheyenne Indian Reservation. The pickup had been stolen from the yard of a nearby house and then wrecked at the post office location. The truck crashed into a semi-truck and was totaled. The driver of the pickup, later identified as WHITEMAN, fled the scene. The value of the truck is approximately \$21,000.

After talking with some juveniles who were in a van following the truck, law enforcement learned that WHITEMAN got a ride to the residence by the juveniles in the van, and that he then took the truck and crashed it.

The investigation was conducted by the Bureau of Indian Affairs.

WILLIAM ALVIN WICK, JR.

On April 7, 2010, before WILLIAM ALVIN WICK, JR., a 28-year-old resident of Lame Deer, was sentenced to a term of:

- Prison: 360 months, consecutive to another sentence
- Special Assessment: \$100
- Supervised Release: 15 years

WICK was sentenced in connection with his guilty plea to aggravated sexual abuse.

In an Offer of Proof filed by Assistant U.S. Attorney Lori Harper Suek, the government stated it would have proved at trial the following:

On the evening of November 17, 2007, WICK, Ron Oneida Whiteman, Charles William Spotted Elk-Booth, Jr., and a juvenile male were driving around Lame Deer on the Northern Cheyenne Indian Reservation drinking. The group saw the victim walking down the street and decided to pick her up, WICK was driving. The victim was staggering as she walked, because she was drunk. She got into the car with the men and sat in the back between Whiteman and Spotted Elk-Booth. They then bought more alcohol – vodka – and continued to drive around Lame Deer.

Whiteman and Spotted Elk-Booth made sexual advances toward the victim. WICK then drove to a remote area in the hills where Whiteman took off the victim's pants and then raped her in the backseat.

After that rape, Whiteman took her out of the car and took off the rest of her clothes. She fell to the ground because she was too drunk to stand. Whiteman tried to force her to perform oral sex, but she resisted. The men placed her on the hood of the car, naked, and WICK and Spotted Elk-Booth held her arms down as Whiteman raped her again. Whiteman then threw her to the ground and Spotted Elk-Booth tried to rape her but could not get an erection. Whiteman and WICK put her on the hood again and WICK tried to rape her but could not get an erection, so he inserted his fingers into her vagina.

Following the assaults on the hood of the car, Whiteman and Spotted Elk-Booth carried her to the trunk. Before they put her in the trunk, naked, the juvenile raped her again while she was held by Whiteman and Spotted Elk-Booth in a bent-over position. She pleaded with the men not to put her in the trunk to no avail. They drove around with her in the trunk drinking whiskey until she was rescued from the trunk of the car by the police. The victim had extensive bruising on her legs, thighs, buttocks, arms and chest, and lacerations and abrasions on her body.

The victim has very little memory of what happened to her. She was drinking at home on November 17, 2007. She was drunk and she left her home at some point to walk to

downtown Lame Deer. She then remembers a man telling her to perform oral sex and then her head was grabbed and the man was trying to force her mouth to his penis. She remembers WICK, who she knew because she was related to him by marriage, laughing at her as she told him to leave her alone. Then the trunk closed. She remembers being in the trunk of the car, and screaming and asking the men to leave her alone. She also remembers hearing WICK laughing and talking while she was in the trunk.

The victim was taken to the hospital for treatment and a sexual assault examination was performed. Swabs were taken from the hood of the car and from the trunk. DNA testing confirmed that the victim's blood was on the hood and on the door of the trunk.

WICK provided two recorded statements. During the second statement, WICK admitted that he tried to have sexual intercourse with the victim but was unable to get an erection, so he stuck his fingers into her vagina. These acts occurred on the hood of the car. He admitted that he knew the victim was in the trunk of the car and that he drove around with her while she was in the trunk.

Whiteman pled guilty and Spotted Elk-Booth was found guilty at trial. Both have been sentenced.

Assistant U.S. Attorney Lori Harper Suek prosecuted the case for the United States.

The investigation was a cooperative effort between the Federal Bureau of Investigation and the Bureau of Indian Affairs.

ELMER BURPEE YARLOTT

On July 8, 2010, ELMER BURPEE YARLOTT, a 54-year-old resident of Crow Agency, was sentenced to a term of:

- Prison: 400 months
- Special Assessment: \$100
- Restitution: \$2,619.07
- Supervised Release: life

YARLOTT was sentenced after having been found guilty during a 2-day trial of aggravated sexual abuse. Assistant U.S. Attorney Marcia K. Hurd prosecuted the case for the United States.

At trial, the government presented evidence of the following:

In 2007, the FBI received a report that a young girl had been sexually abused numerous times in approximately the spring of 2001 by YARLOTT, an enrolled member

of the Crow Tribe. The young girl was approximately 6 years old at the time of the abuse and YARLOTT had lived with her and her mother in Lame Deer.

YARLOTT sexually abused the child when her mother was away at work after the child returned home from school. The child did not disclose the abuse immediately to her mother, but the couple broke up anyway due to YARLOTT's physical abuse of the mother. Her mother had suspicions that YARLOTT had done something to the child, as she started acting differently around him and did not want to be alone with him. The child repeatedly asked her mother to take her to work with her rather than leave her alone with YARLOTT. The child told her mother some time later but the mother did not report it to law enforcement authorities.

In July 2007, the child and family members were at a relatives' funeral when YARLOTT approached the child. She became very upset when he tried to hug her and a confrontation ensued. This was witnessed by the child's siblings.

During the week of July 23, 2007, the child was staying with her aunt and disclosed the sexual abuse to her. Her aunt contacted law enforcement and an investigation was started.

The investigation was conducted by the Federal Bureau of Investigation.

INDIAN COUNTRY - ROCKY BOY'S RESERVATION

ANTHONY JAMES CORCORAN

On April 12, 2010, ANTHONY JAMES CORCORAN, a 28-year-old resident of Rocky Boy, was sentenced to a term of:

- Prison: 20 months
- Special Assessment: \$100
- Supervised Release: 5 years

CORCORAN was sentenced in connection with his guilty plea to abusive sexual contact.

In an Offer of Proof filed by Assistant U.S. Attorney Rebekah J. French, the government stated it would have proved at trial the following:

During the early morning hours of July 22, 2009, CORCORAN, an enrolled member of the Chippewa Cree Tribe, entered a house in the Prairie View Housing Area of the Rocky Boy's Reservation. CORCORAN walked into the bedroom where S.S.M. was sleeping. S.S.M. had consumed a number of alcoholic beverages the evening before. When CORCORAN pulled down S.S.M.'s pants and underwear, she rolled over on her

stomach. He spread her thighs apart and pulled down his own pants and underwear, exposing his genitals.

S.S.M.'s son, who was twelve at the time of the incident, would have testified that he was sleeping in his bedroom in the house where the incident occurred. He woke up in the early morning hours and went to check on his mother. The young man saw a man in his mother's bed, taking her clothes off. He went to a trailer parked outside the house, where his aunt was sleeping and woke her up. S.S.M.'s sister then went into the house and found CORCORAN lying on top of S.S.M. His pants and underwear were pulled to his knees and his genital area was touching S.S.M.'s buttocks. S.S.M.'s pants and panties were pulled to her knees and she appeared to be sleeping. S.S.M.'s sister slapped CORCORAN on his bare buttocks and asked him what he was doing. CORCORAN then pulled his pants up and ran from the room.

On the afternoon of July 22, 2009, CORCORAN was interviewed and admitted that his genitals touched S.S.M.'s buttock while she was asleep. He also admitted touching her inner thighs with his hands and spreading her legs apart in preparation for sexual intercourse. According to CORCORAN, he stopped when S.S.M. woke up and asked him to wait.

The investigation was conducted by the Federal Bureau of Investigation.

SHAWN LEE DENNY

On November 1, 2010, SHAWN LEE DENNY, a 19-year-old resident of Rocky Boy, was sentenced to a term of:

- Prison: 22 months
- Restitution: \$3,387
- Supervised Release: 3 years

DENNY was sentenced in connection with his guilty plea to burglary.

In an Offer of Proof filed by Assistant U.S. Attorney Michael S. Lahr, the government stated it would have proved at trial the following:

On February 28, 2009, a residence on Parker School Road, which is within the exterior boundaries of the Rocky Boy's Indian Reservation, was broken into and burglarized. Entry was made by breaking the upper level deck patio doors.

Two flat screen TVs and a Playstation 3 game system had been taken from the residence. Receipts and serial numbers pertaining to the stolen items were provided to investigators by the owners.

On June 24, 2009, investigators were told by an individual that she and her spouse had purchased a flat screen TV from DENNY. The serial number on the TV purchased from DENNY matched the serial number of one of the TVs stolen from the residence on Parker School Road in February.

On July 17, 2009, when questioned, DENNY admitted she had broken into the residence by kicking down some glass doors. She further admitted to taking two flat screen TVs from the residence and storing them in an abandoned house in Box Elder. She also admitted that she sold both televisions the next day, including the smaller one to the same people who told investigators they had purchased the TV from DENNY. DENNY said she sold the larger TV on the street in Great Falls.

DENNY faces possible penalties of 20 years in prison, a \$50,000 fine and at least 3 years supervised release.

The investigation was conducted by the Rocky Boy's Criminal Investigations Division.

ALLEN JOSEPH LAMERE

On June 28, 2010, ALLEN JOSEPH LAMERE, a 33-year-old resident of Box Elder, was sentenced to a term of:

- Prison: 12 months
- Special Assessment: \$100
- Restitution: \$23,110.54
- Supervised Release: 3 years

LAMERE was sentenced in connection with his guilty plea to theft from an Indian tribal organization receiving federal funding.

In an Offer of Proof filed by Assistant U.S. Michael S. Lahr, the government stated it would have proved at trial the following:

In January of 2009, the Superintendent of the Rocky Boy's Schools (School Districts 87 J&L) noticed that the Schools' most recent American Express Business Card statement was missing a number of pages. He asked the Accounts Payable Clerk for all other credit card statements for this card. She was only able to provide him with three statements, all of which had been paid without his authorization. When the Superintendent asked why these statements had not been presented to him for review, the Accounts Payable Clerk explained that she was following the direction of the District Clerk which was LAMERE. The Superintendent contacted American Express, which refused to provide him with copies of the missing credit card statements without LAMERE's authorization, as LAMERE's name was on the cards. In reviewing the limited number of statements he was able to obtain for the American Express cards

issued to LAMERE on behalf of Rocky Boy's Schools, the Superintendent noticed a number of unauthorized charges not related to school travel or business.

In February, the Superintendent learned that LAMERE had obtained an additional business credit card from Wells Fargo Bank in Havre. The card was issued to LAMERE, on behalf of Rocky Boy's Schools, and payment was made by the Hill County Treasurer, from money belonging to the High School and Elementary Fund. Wells Fargo sent the Superintendent an electronic copy of the first statement for the credit card issued to LAMERE. In reviewing that statement, the Superintendent noticed a number of unauthorized charges not related to school travel or business. He also learned that a warrant, drawn on the Rocky Boy's School Account, had been issued on March 22, 2009 – a Sunday.

The Superintendent prepared a spreadsheet detailing LAMERE's unauthorized personal charges on three separate accounts issued in his name on behalf of Rocky Boy's Schools. The School Superintendent used credit card statements to prepare the spreadsheet. According to the spreadsheet, charges totaled \$24,887.72. These charges were made between November 10, 2007, and March 17, 2009.

When questioned, LAMERE admitted that he had misused his Rocky Boy's Schools' credit cards. He knew that the cards were to be used only for authorized purchases and not for personal use. He admitted using the cards for personal purchases for himself, friends, and family members. LAMERE reviewed the spreadsheet prepared by the Superintendent and admitted having made all the purchases listed on the spreadsheet. He identified five transactions that he believed were used for official business, which he thought either were or should have been authorized. He admitted that all the other transactions listed on the spreadsheet were not authorized, and agreed to pay restitution for those charges.

The investigation was conducted by the Federal Bureau of Investigation.

EMERY PAUL NAULT

On January 14, 2010, EMERY PAUL NAULT, a 45-year-old resident of Box Elder, was sentenced to a term of:

- Prison: 9 months
- Special Assessment: \$100
- Restitution: \$6,357.80
- Supervised Release: 3 years

NAULT was sentenced in connection with his guilty plea to theft from an Indian tribal organization receiving federal funding.

In an Offer of Proof filed by Assistant U.S. Attorney Carl E. Rostad, the government stated it would have proved at trial the following:

NAULT had been employed by the Chippewa Cree Tribe Natural Resources Department Fire Suppression Program since November 1999. In April 2001 he became the Fire Management Officer. As the Fire Management Officer, NAULT was provided a series of three credit cards from 2002 through 2006 with which to conduct official business on behalf of the Natural Resources Department. The government credit cards are for official use only; tribal policies prohibit the use of tribal government credit cards for personal use and at no time are tribal employees allowed to obtain cash advances on these credit cards.

An investigation determined, and NAULT admitted, that he systematically misused the three credit cards on 174 occasions between January 2003 and June 2006, incurring \$10,849.84 in personal transactions that were paid by the Chippewa Cree Tribe.

The personal charges were for charges made at restaurants and hotels in Havre, as well as charges at bars and casinos in Havre and Great Falls.

NAULT made partial repayment via payroll deduction to the Chippewa Cree Tribe which totaled \$6,078.95. The investigation also confirmed NAULT'S claim that he had remitted personal cash payments in the amount \$900. The total of repayments made to the Chippewa Cree Tribe by NAULT for his tribal credit card misuse equaled \$6,978.95.

The outstanding amount due the Chippewa Cree Tribe for the unauthorized and personal transactions conducted by NAULT for his personal benefit is \$3,870.89. That dollar loss, when coupled with the assessed bank fees, equals \$6,357.80 in total losses to the Chippewa Cree Tribe.

The investigation was conducted by the U.S. Department of the Interior - Inspector General's Office.

THOMPSON DENSMORE ST. PIERRE

On November 4, 2010, THOMPSON DENSMORE ST. PIERRE, a 20-year-old resident of Box Elder, was sentenced to a term of:

- Prison: 30 months
- Special Assessment: \$100
- Supervised Release: 3 years

ST. PIERRE was sentenced in connection with his guilty plea to assault resulting in serious bodily injury.

In an Offer of Proof filed by Assistant U.S. Attorney Michael S. Lahr, the government stated it would have proved at trial the following:

In the early morning hours of February 14, 2010, ST. PIERRE assaulted J.N. in the hallway of a residence located on the Rocky Boy's Indian Reservation near Box Elder.

A witness observed ST. PIERRE hit the victim in the face/head area with his fists numerous times and also from behind. The victim eventually fell to the ground where ST. PIERRE continued striking him.

Testimony would have been presented that after leaving the residence, ST. PIERRE bragged about breaking the victim's jaw. He further described feeling the victim's jaw crunching when he was hitting him.

Medical personnel would have testified that the injuries sustained by the victim consisted of serious bodily injury, namely a broken jawbone and significant jawbone displacement. Certified medical personnel would also have testified that the injuries sustained by the victim resulted in extreme physical pain and protracted loss or impairment of the function of a bodily member.

The investigation was conducted by the Federal Bureau of Investigation.

MISCELLANEOUS

TAMMY LYNN CADOTTE

On August 27, 2010, TAMMY LYNN CADOTTE, a 43-year-old resident of Browning, was sentenced to a term of:

- Prison: 20 months
- Special Assessment: \$100
- Supervised Release: 1 year

CADOTTE was sentenced in connection with her guilty plea to misprision of a felony.

In an Offer of Proof filed by Assistant U.S. Attorney Vince Carroll, the government stated it would have proved at trial the following:

On March 23, and March 25, 2009, a confidential informant ("CI") of the Blackfeet Safe Trails Drug Task Force ("Task Force") performed controlled purchases of methamphetamine (approximately 2 grams each time) from CADOTTE's husband, Wilbur Cadotte. The purchases occurred at the CADOTTES' residence located in Seville, which is on the Blackfeet Indian Reservation. The residence is a public housing facility and is located within 1,000 feet of other public housing units. When the CI

arrived at CADOTTE's residence, CADOTTE's husband gave the CI approximately 2 grams of methamphetamine on each occasion in exchange for a total of \$300 cash. CADOTTE was present when these purchases took place. CADOTTE did not report these crimes to law enforcement or to anyone in authority, but instead concealed these crimes.

The investigation was conducted by the Blackfeet Safe Trails Drug Task Force.

PARISCHERE ELAINA HUGHES

On June 29, 2010, PARISCHERE ELAINA HUGHES, a 22-year-old resident of Bozeman, was sentenced to a term of:

- Probation: 1 year
- Special Assessment: \$25
- Fine: \$250

HUGHES was sentenced in connection with her guilty plea to resisting/interfering with the issuance of a citation.

In an Offer of Proof filed by Assistant U.S. Attorney Vince Carroll, the government stated it would have proved at trial the following:

On August 22, 2008, two BLM Rangers arrived at the Lower Madison Recreation Area Warm Springs at approximately 5:30 p.m. The rangers noticed an open container of alcohol on the hood of a vehicle where several individuals, who appeared to be under the age of 21, were standing. The Rangers then spoke with the individuals. Two of the individuals appeared to be under the influence of marijuana. One of the individuals indicated that HUGHES had a marijuana pipe in her purse. HUGHES initially denied having a marijuana pipe in her purse. After being confronted with the statement from the other individual however, HUGHES removed a marijuana pipe from her purse.

The Rangers then cited HUGHES for possession of drug paraphernalia. When asked her name, HUGHES told the Rangers that she was J.S. The Rangers then issued a violation notice in J.S.'s name for possession of drug paraphernalia.

It was later discovered that HUGHES had given a false ID to the Rangers. J.S. was contacted at her work and was interviewed about the violation notice. The incident was very upsetting and embarrassing for J.S.

HUGHES was later interviewed and admitted that she had given the Rangers a false statement regarding her identity.

The investigation was conducted by the Bureau of Land Management Law Enforcement Division.

JAMES ERNEST LEPLA

On March 17, 2010, JAMES ERNEST LEPLA, a 74-year-old resident of Calgary, was sentenced to a term of:

- Prison: 2 months (time served)
- Special Assessment: \$100
- Fine: \$10,000 (to be paid immediately)
- Supervised Release: 3 years

LEPLA was sentenced in connection with his guilty plea to smuggling and making false statements.

In an Offer of Proof filed by Assistant U.S. Attorney Carl E. Rostad, the government stated it would have proved at trial the following:

LePla is a Calgary taxidermist who had been submitting fraudulent importation documents to bring in mounts.

In October of 2008, LEPLA imported two mounts, a muskox trophy valued at \$4,200 and a giraffe trophy valued at \$3,600, using paperwork identifying an Arizona importer, who never received either mount.

In 2010 LEPLA attempted to bring in 5 mounts using the name of a Pennsylvania importer who indicated that only three of the items were in fact his mounts.

LEPLA smuggled in illegal imports using partially accurate paperwork to hide the smuggled items.

The investigation was a cooperative effort between the U.S. Fish and Wildlife Service and U.S. Customs and Border Protection.

SAUL RODRIGO TINOCO PASTOR

On December 17, 2010, SAUL RODRIGO TINOCO PASTOR, a 28-year-old resident of Los Angeles, California, was sentenced to a term of:

- Prison: 14 months
- Special Assessment: \$200
- Restitution: \$500
- Supervised Release: 3 years

PASTOR was sentenced in connection with his guilty plea to conspiracy to pass counterfeit currency and counterfeiting.

In an Offer of Proof filed by Assistant U.S. Attorney Ryan M. Archer, the government stated it would have proved at trial the following:

On March 6 -7, 2009, merchants in the Billings area began receiving numerous counterfeit \$100 bills.

On March 7-8, 2009, merchants in the Great Falls area began receiving the same kind of \$100 bills. These counterfeit notes contain different serial numbers, but had common identifiers such as a face plate number G-24 and a back plate number 29. All the notes were a 1999 series.

Further analysis conducted by the United States Secret Service indicated that these particular counterfeit notes are known as "circular 22705" or "C-22705." The Secret Service has tracked this counterfeit note since 2003 and it is known to be in a "family" of counterfeit notes manufactured in Peru. According to Secret Service statistics, these Peruvian notes have constituted \$7.8 million dollars circulated across the United States in the past year. In addition, \$446,280 in fake U.S. currency from Peru was seized before it was circulated in the United States (mostly ports or airports), and more than \$18.2 million in raids in Peru.

Several merchants who received these counterfeit notes in Billings and Great Falls provided surveillance photographs of the counterfeit passes. These photos depict two Hispanic males passing the counterfeit \$100 bills. An agent contacted a motel in Billings and discovered that a Hispanic male stayed there the night of March 6 and listed one other adult as staying in the room. The receipt showed that Victor Andia checked into the motel, listing his address in Reseda, California. A criminal history check revealed that Andia was arrested in February 2009 for reckless driving in Oregon. Reports indicated that Andia was the driver and PASTOR was Andia's passenger during that incident.

Driver's license photographs of Andia and PASTOR were compared to surveillance images of counterfeit passes in Great Falls and Billings, which clearly identified Andia and PASTOR as the individuals passing counterfeit notes. A photo lineup was shown to an employee of a store in Billings where one of the counterfeit notes was passed. The employee positively identified PASTOR as the individual who passed the counterfeit note. Additional surveillance images show individuals that appear to be Andia and PASTOR making passes at various locations in Billings and Great Falls.

Additional investigation identified PASTOR as having connections in California that provided him with the C-22705 counterfeit notes that were passed in Montana. In all, Andia and PASTOR passed over \$12,000 in Montana in the course of a few days.

Andia pled guilty to federal charges and has been sentenced.

The investigation was conducted by the U.S. Secret Service.

DONALD PAUL ROBERTS

On March 18, 2010, DONALD PAUL ROBERTS, a 37-year-old resident of St. Ignatius, was sentenced to a term of:

- Prison: 37 months
- Special Assessment: \$100
- Supervised Release: 3 years

ROBERTS was sentenced in connection with his guilty plea to distribution of explosive materials.

In an Offer of Proof filed by Assistant U.S. Attorney Tara J. Elliott, the government stated it would have proved at trial the following:

On June 30, 2009 an undercover agent with the FBI purchased 13 packets of Kinepak from ROBERTS for \$2,600. Kinepak is an explosive material. ROBERTS did not have a license to sell explosive material.

The investigation was conducted by the Federal Bureau of Investigation.

DONALD SCHWINDT

On September 23, 2010, DONALD SCHWINDT, age 42, was sentenced to a term of:

- Prison: 27 months, concurrent to another sentence
- Special Assessment: \$100
- Supervised Release: 3 years

SCHWINDT was sentenced in connection with his guilty plea to escape.

In an Offer of Proof filed by Assistant U.S. Attorney Tara J. Elliott, the government stated it would have proved at trial the following:

On January 25, 2009, inmates SCHWINDT and William D. Newhoff escaped from the Mineral County Detention Center where they were both incarcerated on separate federal gun cases. They crawled through a hole in the ceiling of their cell to a trapdoor in a supply closet and fled to the road outside of the facility.

On January 26, 2009, SCHWINDT and Newhoff were apprehended near Troy.

Newhoff pled guilty to federal charges and has been sentenced.

The investigation was a cooperative effort between the U.S. Marshals Service and the Mineral County Sheriff's Office.

KYLE LEE ZIMMERMAN

On December 14, 2010, KYLE LEE ZIMMERMAN, a 23-year-old resident of Dillon, was sentenced to a term of:

- Probation: 1 year
- Special Assessment: \$25
- Restitution: \$500

ZIMMERMAN was sentenced in connection with his guilty plea to damage to government property.

In an Offer of Proof filed by Assistant U.S. Attorney Timothy J. Racicot, the government stated it would have proved at trial the following:

On October 17, 2009, ZIMMERMAN, Christopher Erwin Clark, and "S.K." lit and attempted to light trees on fire in the Black Mountain area of the Dillon Ranger District in the Beaverhead-Deerlodge National Forest. The trees were dead or dying due to pine beetle infestation.

On October 18, 2009, ZIMMERMAN and Clark lit trees on fire in the Birch Creek area of the Dillon Ranger District in the Beaverhead-Deerlodge National Forest.

The officers who investigated the fires observed and preserved somewhat distinctive tire tracks from the Birch Creek area as well as a metal decal from a "Tuff Country" vehicle suspension lift kit. Those items of evidence suggested ZIMMERMAN as a possible suspect in the fires. When he was interviewed on November 2 and 9, 2009, ZIMMERMAN admitted to setting some fires. He said that other people were with him, but would not reveal their names and claimed that they did not start any fires. ZIMMERMAN was interviewed a third time on March 17, 2010. During that interview, he admitted that Clark and "S.K." were present on October 17, 2009, and also admitted that Clark started some fires.

On May 13, 2010, "S.K." was also interviewed about the fires. He stated that he was present with ZIMMERMAN and Clark on October 17, 2009, and that both ZIMMERMAN and Clark started fires. "S.K." said he tried to start some fires on October 17, 2009, but his lighter would not work. He also stated that Clark tried to convince him to start additional fires in the Birch Creek area and in another area known as the East Ridge.

Clark, who is currently employed with the Forest Service as a fire-fighter, was a temporary employee in October 2009 and was involved in the suppression effort for the Birch Creek fires. When he was interviewed on March 18, 2010, he said he had no involvement in the fires.

A.W. was interviewed on March 22, 2010. She is Clark's ex-girlfriend. She reported that on one occasion, when he was drunk, Clark told her that he, ZIMMERMAN, and "S.K." set trees on fire in the Black Mountain area. When she asked him about it later, he denied any involvement.

L.N. was interviewed on May 1, 2010. She is "S.K.'s" girlfriend. She said "S.K.", ZIMMERMAN and Clark set fires in Black Mountain, but "S.K." was not present at Birch Creek. At Black Mountain, she said his lighter did not work so he was not able to light any fires. Later, she heard Clark telling "S.K." not to say anything to anyone about their presence at the scene of the fires.

Clark pled guilty to federal charges and is awaiting sentencing.

The investigation was conducted by the Law Enforcement and Investigations Division of the Forest Service.

OTHER VIOLENT CRIME, THREATS AND EXTORTION

SKYE BRUNS

On February 25, 2010, SKYE BRUNS, a 23-year-old resident of Cody, Wyoming, was sentenced to a term of:

- Prison: 37 months
- Special Assessment: \$100
- Supervised Release: 3 years

BRUNS was sentenced in connection with her guilty plea to robbery affecting commerce.

In an Offer of Proof filed by Assistant U.S. Attorney Tara J. Elliott, the government stated it would have proved at trial the following:

On September 3, 2009, a Missoula County Sheriff's deputy observed a white pickup truck sideswipe a blue pickup truck. Both vehicles continued to travel down the road followed by the deputy who activated his top lights and began to pursue. After a few turns on side streets, the deputy saw that the white truck had rolled over onto its top and that the blue truck had crashed through the fence of a house.

The deputy observed a tall male in a blue shirt yelling at another male (hereinafter "W1"). King observed another male climbing out of the driver's side door of the white truck. The deputy also saw a female walking away from the crash who was later apprehended by law enforcement in a nearby alleyway and identified as BRUNS.

Another deputy arrived on scene and W1 blurted out, "There's five pounds of pot and \$12,000 in that truck." W1 pointed to a blue backpack that was at the back end of the rolled truck and said that it belonged to him. W1 said that the five pounds of marijuana and cash were in the backpack. W1 went on to explain that he was a drug dealer and that the two male individuals and BRUNS had just tried to "rip" him. W1 said that he was chasing them but they wouldn't stop so he purposely crashed into them.

At the accident location, several backpacks and packs were lying on the ground and partially in the back area of the overturned pickup truck. The two male individuals and BRUNS separately denied owning the blue backpack identified by W1 as the backpack stolen from him and which was later found to contain approximately 5 pounds of marijuana and \$12,480.

W1 stated he had made arrangements to sell 10 pounds of marijuana. During the course of the sale with the two male individuals and BRUN in a motel room, one of the males pulled a handgun on W1 and the other male took the backpack and he and BRUNS then left the room. After a few minutes, the male with the gun also left the motel. W1 looked out the window and saw the male with the gun get into the passenger side door of the white pickup truck. The other male was in the driver's seat and BRUNS was in the bed of the truck, which had a canopy top.

W1 sprinted to his blue truck and began to pursue the white truck. W1 got behind the white truck and started "tapping his bumper." W1 eventually hit the side of the white truck causing it to roll.

When the backpacks were searched, approximately five pounds of marijuana, \$12,480 U.S. currency, and miscellaneous paperwork in W1's name inside the backpack identified by W1 as the one that was stolen from him at gunpoint. Inside a second pack, paperwork belonging to one of the male individuals and a Smith and Wesson model 40VE handgun with a loaded magazine were recovered.

The investigation was conducted by the Drug Enforcement Administration.

MICHAEL FILE

On April 9, 2010, MICHAEL FILE, a 33-year-old resident of Cody, Wyoming, was sentenced to a term of:

- Prison: 48 months
- Special Assessment: \$200
- Supervised Release: 3 years

FILE was sentenced in connection with his guilty plea to robbery and the use of a firearm during a crime of violence.

In an Offer of Proof filed by Assistant U.S. Attorney Tara J. Elliott, the government stated it would have proved at trial the following:

On September 3, 2009, at approximately 1:00 p.m., a Missoula County Sheriff's deputy observed a white pickup sideswipe a blue pickup with both vehicles continuing to travel down the road. The deputy activated his top lights and began to pursue. After a few turns on side streets, the deputy saw that the white pickup had rolled over onto its top and that the blue pickup had crashed through the fence of a house.

The deputy observed a tall male in a blue shirt yelling at another male (hereinafter "W1"). The deputy observed another male climbing out of the driver's side door of the white pickup (later identified as FILE). He also saw a female walking away from the crash who was later apprehended by law enforcement in a nearby alleyway and identified as Skye Bruns.

Another deputy arrived on scene and W1 blurted out, "There's five pounds of pot and \$12,000 in that truck." W1 pointed to a blue backpack that was at the back end of the rolled truck and said that it belonged to him. W1 said that the five pounds of marijuana and cash were in the backpack. W1 went on to explain that he was a drug dealer and that the other male individual, FILE, and Bruns had just tried to "rip" him. W1 said that he was chasing them but they wouldn't stop so he purposely crashed into them.

At the accident location, several backpacks and packs were lying on the ground and partially in the back area of FILE'S overturned pick-up truck. The other individual, FILE, and Bruns separately denied owning the blue backpack identified by W1 as the backpack stolen from him and which was later found to contain approximately 5 pounds of marijuana and \$12,480. The other individual, FILE, and Bruns each claimed all the other packs.

W1 said he had been dealing marijuana for a little over a year. W1 said that his friend, (hereinafter "W2") told him that he knew some people that wanted to buy 10 pounds of marijuana. W1 let W2 make the arrangements for the deal. At 10:30 a.m., W1 and W2 drove to the Inn on Broadway and went to room 230. Upon entering the room, W1 and W2 met the other male individual and Bruns. FILE arrived in the room a few minutes later. W1 had five pounds of marijuana with him in his backpack, and if the deal went well, W1 planned on obtaining another five pounds for a net sale of 10 pounds for \$30,000. W1 said he had \$12,000 in his backpack from previous marijuana sales.

W1 further stated he and W2 arrived at the hotel room and initially met with the other male individual and Bruns. A few minutes later FILE arrived. Some time later, the other individual walked to the bed and pulled a handgun out from between the box spring and mattress. He turned towards W1 and said, "Now, I am God." The individual told W1 that things were going to happen his way from this point forward.

During the transaction, the individual told W1 to give his backpack with the marijuana to Bruns. W1 protested and stated that he had \$12,000 in the backpack that was his. The individual instructed W1 and W2 to give their cellular telephones to Bruns and told her to disconnect the hotel room phone cord as well and put the cord in her purse, which she did. The individual also instructed Bruns and FILE to take the backpack with the marijuana and their bags to FILE'S truck, which they did. The individual told W1 not to worry and that they were not going to rip him off. After a few minutes, the individual left the room.

W1 looked out the window and saw the individual get into the passenger side door of the white pickup. FILE was in the driver's seat and Bruns was in the bed of the truck, which had a canopy top. FILE began driving out of the parking lot and W1 knew that he was being ripped off.

W1 sprinted to his blue pickup and began to pursue the white pickup. W1 got behind the white pickup and started "tapping his bumper." FILE was not going to stop and began to drive faster. W1 eventually hit the side of the white pickup causing it to roll.

The backpacks that were found at the accident scene which came out of FILE'S vehicle were searched. Law enforcement found approximately five pounds of marijuana, \$12,480 U.S. Currency, and miscellaneous paperwork in W1's name inside the backpack identified by W1 as the one that was stolen from him at gunpoint. Inside a second pack, paperwork belonging to FILE and a Smith and Wesson model 40VE handgun with a loaded magazine were recovered.

Bruns pled guilty to federal charges and has been sentenced.

The investigation was a cooperative effort between the Drug Enforcement Administration, the High Intensity Drug Trafficking Area (HIDTA) Task Force, the Missoula Police Department and the Missoula County Sheriff's Office.

WILLIAM MICHAEL LAPP, JR.

On November 18, 2010, WILLIAM MICHAEL LAPP, JR., a 37-year-old resident of Kalispell/Helena, was sentenced to a term of:

- Prison: 480 months
- Special Assessment: \$600
- Restitution: \$10,090
- Supervised Release: 5 years

LAPP was sentenced in connection with his guilty plea to robbery affecting commerce and use of a firearm during the commission of a crime of violence.

In an Offer of Proof filed by Assistant U.S. Attorney Paulette L. Stewart, the government stated it would have proved at trial the following:

On January 31, 2008, LAPP was convicted in Toole County of felony criminal possession of dangerous drugs for which he received a three year suspended sentence consecutive to a previous conviction in Flathead County. As a result of this conviction, he was prohibited from possessing firearms.

On July 29, 2009, LAPP entered a casino in Kalispell. The attendant, BH, was alone in the casino when a man (later identified as LAPP) entered and asked if the casino was still open. LAPP asked BH to make change so the attendant pulled out her cash roll from her apron. LAPP immediately brandished a chrome revolver from his waist area and pointed it at her. LAPP demanded her cash and any money from the safe. BH responded that there was no safe, and he told her "you better not be lying." LAPP then ordered her out the back door of the casino. BH feared that he was going to shoot her in the back. Once BH was in the alley, LAPP followed her and ordered her back into the casino. BH last saw LAPP walking northbound in the alley. BH described the suspect as 20-25 years old, approximately 6 foot with blue eyes, wearing a gray hooded sweatshirt, blue jeans and white tennis shoes. BH later described the handgun as a big silver revolver, likely a large caliber revolver as she is somewhat familiar with firearms. Approximately \$1,700 was taken from the casino.

On October 26, 2009, BH was shown a line-up with LAPP's photo, and although she kept going back to LAPP as the robber, she could not rule out one of the others.

On August 3, 2009, LAPP entered a casino in Great Falls. About 30 minutes prior to the robbery, LAPP had entered the casino and asked for the bathroom. After LAPP exited the bathroom, he ordered a beer. TM, the attendant, asked for identification and LAPP provided an ID. LAPP began to play one of the machines. TM asked LAPP if he wanted another beer, and he declined. LAPP then approached TM at the bar where he brandished and laid a handgun on the bar. He stated, "Don't panic. I don't want to hurt you, but I will if I have to." LAPP put the handgun back in his waistband and demanded all of the money from the till. After he received the money from the till, he instructed TM to go to the bathroom and count to 100. TM did as instructed. She heard a car start in the parking lot and drive off, but she did not see the vehicle. TM contacted the police after she left the bathroom. TM also noticed that the suspect took his beer glass with him. TM later positively identified LAPP from a photo lineup after LAPP's October arrest in Helena. Approximately \$5,700 was taken from the casino.

On September 26, 2009, LAPP entered a casino in Butte. The attendant, LH, locked the door at closing time to the casino. LAPP came to the door, knocked on it and said he left his cell phone in the casino. LH initially told him that she would look for the cell phone, but let him inside. They walked over to the machine that LAPP played and LH started to look for the cell phone. At a point, LH looked up and LAPP was pointing a handgun at her. LAPP said, "give me all your money, I won't hurt you. Just do what I

say.” LH did as LAPP instructed. She also asked him to come around the bar to ensure he got all of the money, and to get him on camera. LAPP stopped at the end of the bar where he would be out of the camera’s view. LAPP took the money from the till and her apron. He asked for her cell phone but she did not have one. He then told LH to go to the bathroom and count to 100. She asked him not to kill her and he said that he would not. LH went to the bathroom and stayed there until she heard the door beeper indicate that he left the casino. LH verified that he was gone, contacted the police, and locked the door. While she was locking the door, she observed a red truck turning north onto Harrison Avenue. LH described the suspect as approximately 25 years old, 6 foot 2 inches, medium build, blonde hair, no facial hair, wearing baggy jeans and a two toned sweater with a dark torso and light colored sleeves as well as a light colored cap. The handgun was grayish in color with black handles - she later clarified that it was likely a revolver but she had limited knowledge of firearms. LH stated that LAPP played a machine at the south side of the casino. When he left the casino the first time, he cashed a game ticket for \$30. LH later identified LAPP in a photo lineup after LAPP’s October arrest in Helena. Approximately \$3,000 was taken from the casino.

On October 24, 2009, LAPP entered the a casino in Helena. EM, the attendant, was the only employee working when LAPP asked her to break at \$20 bill. LAPP ordered a beer and she requested identification. LAPP gave her a Montana diver’s license. EM recalled his last name as LAPP or Ladd and that he was born in 1982. EM gave LAPP his beer and he moved to a gaming machine. When two other customers were in the casino, LAPP moved from machine to machine. After the other customers left, LAPP approached her while she was behind the bar and stated, “I hate to do this, but I need all your cash.” He lifted up his jacket and showed her the black butt of a handgun in his waistband. EM immediately complied. She placed the cash from the register on the bar. He asked if there was more, so she gave him a brown cash box. He also asked for the money in her apron but told her to keep her tip money. LAPP then directed her to the women’s bathroom and told her he would not shoot her. He took her cell phone and told her to count to 100 before leaving the bathroom. When EM left the bathroom, LAPP was gone and she called 911. EM described the suspect as a white male with a sandy blonde goatee, he wore a two tone black and cream colored ski jacket, light colored blue jeans, and tennis shoes. EM then positively identified LAPP from a Montana driver’s license photo provided by the local police detective.

LAPP’s Montana probation officer conducted a probation search of his residence that evening based on this information. During the search, the probation officer located a beige/tan lockbox that matched the description of the cash box taken from the casino which contained approximately \$6,000 cash. She also located a .357 Ruger revolver with a chrome finish and black rubber grips on the kitchen table loaded with six rounds of ammunition.

A review of LAPP’s cell phone records and hits from various cell phone towers in Montana were consistent with his presence near each robbery site.

The investigation was a cooperative effort between the Kalispell Police Department, the Butte-Silver Bow Law Enforcement Agency, the Great Falls Police Department, the Helena Police Department, the Montana Department of Justice, Montana Probation and Parole and the Bureau of Alcohol, Tobacco, Firearms and Explosives.

JEREMIAH LETTIERE

On April 9, 2010, JEREMIAH LETTIERE, a 32-year-old resident of Cody, Wyoming, was sentenced to a term of:

- Prison: 135 months
- Special Assessment: \$200
- Supervised Release: 5 years

LETTIERE was sentenced after having been found guilty at trial of robbery and the use of a firearm during the commission of a crime of violence. Assistant U.S. Attorney Tara J. Elliott prosecuted the case for the United States.

The investigation was a cooperative effort between the Drug Enforcement Administration, the High Intensity Drug Trafficking Area (HIDTA) Task Force, the Missoula Police Department and the Missoula County Sheriff's Office.

DANIEL WILSON NANIA

On January 14, 2010, DANIEL WILSON NANIA, a 22-year-old resident of Spokane, Washington, was sentenced to a term of:

- Prison: 84 months
- Special Assessment: \$400
- Restitution: \$12,474.81
- Supervised Release: 6 years

NANIA was sentenced in connection with his guilty plea to robbery involving controlled substances.

In an Offer of Proof filed by Assistant U.S. Attorney Tara J. Elliott, the government stated it would have proved at trial the following:

On January 31, 2009, February 21, 2009, and March 3, 2009, NANIA entered a Walgreens Pharmacy in Missoula, brandished a weapon and demanded narcotics from the pharmacist.

NANIA took money and assorted prescription medications including, Oxycontin, Oxycodone, Ritalin, Percodan, and Alprazolam. The value of the Oxycontin alone was more than \$500.

In the first robbery on January 31st, NANIA was described as a white male adult in his 20's, 6'0" to 6'1", 180 pounds, brown eyes, wearing a dark two-tone jacket with a white stripe on the sleeves, a black "hoody" with the hood pulled over his face, black/gray gloves, dark pants, and dark shoes. It was also described that he brandished a black semi-automatic handgun which was in the front waistband of his pants.

The pharmacist working at the time (hereinafter "W1") stated NANIA approached her in the pharmacy and pushed a handwritten note across the counter. The note had a list of medications on it and NANIA stated, "I want Xanax and Oxycontin." NANIA then pulled the note back with his right hand.

W1 got the drugs requested and put them in a white plastic Walgreens bag. NANIA then stated, "give me all your cash." W1 had problems opening the register. NANIA yelled at her and lifted up the front of his shirt and showed her a pistol in his waistband. W1 opened the register and put money in a different white plastic Walgreens bag and handed it to NANIA. Then NANIA said, "look under the drawer." W1 then lifted the drawer, but there was no money there. NANIA took the bags and left the business through the front door.

In the second robbery on February 21st, NANIA was described as a white male adult 22-24 years of age, 5'11" to 6'0", wearing a dark jacket, black pants, black shoes with white logo, white knit hat with assorted colored ear warmers and a draw string off of each ear.

At the second robbery, another pharmacist (hereinafter "W2") was present. The subject handed W2 a note stating, "Oxycontin and Xanax or I'll blow your head OFF NOW!" W2 grabbed the note and took it to the back of the pharmacy and put it on the counter. W2 grabbed the listed medications and put them in a Walgreens white plastic bag. NANIA told W2 to get the money from the register. W2 had trouble getting the register open. NANIA lifted the front of his shirt and showed W2 the weapon in his waistband and told W2 to hurry up. W2 opened the register and gave NANIA the money. NANIA left the business through the front doors.

During the third robbery on March 3rd, NANIA was described as a white male adult, 22 to 24 years of age, 5'11" to 6'0", wearing a two-tone dark jacket with a white stripe on the front and back of the sleeves with the stripe going across the upper back of the jacket (same jacket as the first robbery), camouflage pants, black shoes, dark baseball cap, large dark sunglasses, with a large black container of pepper spray or bear mace and a black semi-automatic handgun.

NANIA entered the Walgreens and immediately approached the front clerk and pointed the pepper spray container at the clerk and ordered the clerk to the ground. Then NANIA ordered the clerk to get the cash from the register. The clerk complied and NANIA ordered the clerk to the ground and then went to the pharmacy.

Again, W1 was working at Walgreens and NANIA pointed a gun at W1 and ordered her to get him Xanax and Oxycontin. W1 complied and put the medications in a white Walgreens plastic bag. NANIA walked away but then brought the manager back to the pharmacy at gun point. NANIA forced the manager and W1 into the pharmacy at gun point and ordered them to the ground. NANIA then demanded all of the Oxycontin. W1 rose on her knees and started to throw all of the medications into the same plastic bag. NANIA forced both of them to lay down on their stomachs and stay there or he would shoot them. NANIA slid over the counter and ran out of the business.

On February 24, 2009, detectives from the Missoula City Police Department requested that the note recovered from the second robbery be sent to the crime lab and tested for latent prints.

On March 3, 2009, the detectives were advised that a latent print had been located and was the right thumb print of NANIA.

On March 4, 2009, a search warrant was issued and executed on a residence in Missoula. NANIA was at the residence at the time.

During a search of the residence, numerous one gallon plastic zip lock bags and assorted pill bottles containing what is estimated to be over 10,000 various prescription pills were recovered, as well as numerous empty bulk sized controlled substance pill bottles without patient labeling; a black plastic garbage bag containing a dark colored jacket with a stripe, camouflaged pants, hiking boots, a B.B. hand-gun, and sunglasses, all of which were consistent with the descriptions provided by witnesses. Also found in the plastic garbage bag was what appeared to be human hair clippings and numerous empty bulk sized controlled substance pill bottles without patient labeling. All items were seized from a common area of the residence in the basement, adjacent to the only downstairs bedroom which belonged to NANIA. A canister of bear pepper spray, pill bottles containing a mixture of numerous prescription pills with and without patient labeling, approximately \$3,132, hair clippers and what appeared to be hair clippings consistent with the hair clippings found in the black garbage bag were located in NANIA'S bedroom.

The investigation was a cooperative effort between the Drug Enforcement Administration and the Missoula City Police Department.

WILLIAM DALE NEWHOFF

On July 20, 2010, WILLIAM DALE NEWHOFF, age 28, was sentenced to a term of:

- Prison: 9 months, consecutive to another sentence
- Special Assessment: \$100
- Supervised Release: 3 years

NEWHOFF was sentenced in connection with his guilty plea to escape.

In an Offer of Proof filed by Assistant U.S. Attorney Tara J. Elliott, the government stated it would have proved at trial the following:

On January 25, 2009, NEWHOFF and another inmate were incarcerated on separate federal gun cases when they escaped from the Mineral County Detention Center by crawling through a hole in the ceiling of their cell to a trapdoor in a supply closet and then fled to the road outside of the facility.

On January 26, 2009, at approximately 1:30 p.m., NEWHOFF was arrested in Troy.

The investigation was a cooperative effort between the U.S. Marshals Service and the Mineral County Sheriff's Office.

MELONY PASOLD

On February 5, 2010, MELONY PASOLD, a 46-year-old resident of Sheridan, was sentenced to a term of:

- Home Arrest: 1 year
- Probation: 5 years
- Special Assessment: \$100

PASOLD was sentenced in connection with her guilty plea to making false statements and hoaxes.

In an Offer of Proof filed by Assistant U.S. Attorney Brian R. Whittaker, the government stated it would have proved at trial the following:

On July 5, 2007, at approximately 10:00 a.m., PASOLD used her cell phone to place a call to the Bert Mooney International Airport in Butte to communicate false and misleading information. Airport authorities would testify that they received a telephone call from a person identifying herself as "Jamie Meyers." During the telephone conversation, "Jamie Meyers" stated that she had been at the airport on the morning of July 5, 2007, and had overheard "Middle-Eastern males" discussing a bomb that would be placed on a Skywest airplane that was scheduled to depart at 3:00 p.m. that day.

Witnesses from the airport would have testified that "Jamie Meyers" stated that she had overheard the "Middle-Eastern males" comparing the situation to what happened on September 11, 2001. They would also testify that, during the telephone conversation, "Jamie Meyers" stated that she was scheduled to be on the 3:00 p.m. Skywest flight for a trip to Fort Lauderdale.

Based upon the caller's insistence that she had personally overheard the threat, the Bert Mooney International Airport officials contacted the Federal Bureau of Investigation, the Transportation Security Administration, the Butte-Silverbow Sheriff's Office, and Skywest Airlines. These officials took steps to search and secure the airport and the affected aircraft.

When interviewed later by the FBI, PASOLD stated that she had not been at the airport on the morning of July 5, 2007. As such, she could not have overheard any alleged conversation between the Middle-Eastern males.

PASOLD then voluntarily presented her cell phone for inspection to the FBI. Using the recent call feature, agents determined that only two outgoing calls were maintained in memory, both made within minutes of the FBI's arrival for the interview. There was no outgoing call to the airport stored in the memory of PASOLD'S cell phone. However, PASOLD later admitted to "occasionally" erasing information from her telephone's memory.

PASOLD then stated that she had received a call from someone who claimed to work at Delta Airlines warning her of a threat from Arab males at the airport made to the 3:00 p.m. flight. According to representatives of Delta Airlines, no one made any such call to PASOLD. Nevertheless, evidence would have shown that PASOLD relayed the terrorist threat information to other individuals. She provided specific information that the 3:00 p.m. outbound flight might be canceled due to a terrorist threat at the airport. PASOLD could have only known of the specific threat by being a party to the 10:00 a.m. telephone call.

The investigation was a cooperative effort between the Federal Bureau of Investigation, the Transportation Security Administration and the Butte-Silverbow Law Enforcement.

MALIK HANNABAL SHABAZZ

On August 5, 2010, MALIK HANNABAL SHABAZZ, a 19-year-old resident of Washington, D.C., was sentenced to a term of:

- Prison: 5 months (time served)
- Special Assessment: \$100
- Supervised Release: 1 year

SHABAZZ was sentenced in connection with his guilty plea to false impersonation of an officer of the United States.

In an Offer of Proof filed by Assistant U.S. Attorney Bryan R. Whittaker, the government stated it would have proved at trial the following:

On March 5, 2010, in Cascade County, SHABAZZ approached a ticketing agent at the Great Falls International Airport in an attempt to board a United Airlines (UA) flight. SHABAZZ presented a boarding pass, which the UA employee scanned. She then informed SHABAZZ that one of his carry-on bags was too large and needed to be checked. SHABAZZ then stated that he could not check the bag because he had a firearm in the carry-on bag. In response to SHABAZZ's claim, the UA employee asked him if he was a law enforcement officer. SHABAZZ replied that he was and that he worked for the FBI.

SHABAZZ was wearing a knit, short-sleeved, collared shirt with an FBI seal on the left breast. Underneath the seal, were the words "Washington Field Office, FBI Junior Academy". When asked by a UA employee for his law enforcement credentials, SHABAZZ produced a "DC One Card" bearing a photograph of him in a military style uniform. SHABAZZ told the UA employee that if she scanned the card, it would confirm that he could carry a firearm onto the plane.

Later, when questioned by the FBI, SHABAZZ admitted that he told the UA ticketing agent that he had a gun in his carry-on bag. He further admitted that when questioned about being a law enforcement officer, he responded by claiming to work for the FBI. He also stated that he displayed a "DC One Card" when asked for credentials by the UA employee and told her that if scanned, the card would allow him to carry a firearm on the plane.

SHABAZZ admitted that he told TSA employees that he had checked a bag containing a gun and that he worked for the FBI in Intelligence but was prohibited from telling them what he did for the FBI.

During the interview with the FBI, SHABAZZ admitted that he did not work, nor did he ever work, for the FBI and that he made the decision to say there was a gun in his carry-on bag prior to arriving at the gate. He stated that his purpose for claiming he was in possession of a firearm, in the pretend character of an FBI employee, was to be able to observe the response of airport personnel.

The investigation was conducted by the Federal Bureau of Investigation.

TAX OFFENSES

TAMI L. CURLEY

On February 25, 2010, TAMI L. CURLEY, a 42-year-old resident of Frenchtown, was sentenced to a term of:

- Prison: 51 months
- Special Assessment: \$200

- Restitution: \$1,000,028
- Supervised Release: 3 years

CURLEY was sentenced in connection with her guilty plea to tax evasion and wire fraud.

In an Offer of Proof filed by First Assistant U.S. Attorney Kurt G. Alme, the government stated it would have proved at trial the following:

CURLEY worked as the office manager for Rawlings Manufacturing Inc. ("RMI") in Missoula from 1998 through August, 2004. RMI was owned by John Rawlings.

From January, 2000 until August, 2004, CURLEY wrote checks and had wire transfers made from the bank accounts of RMI and John Rawlings to: "cash" for herself, her husband, her business (Double C Lawn & Maintenance Services Inc.), her credit card companies, and others for her benefit. CURLEY also made charges on RMI's and John Rawlings' credit cards for her benefit. CURLEY was not authorized by John Rawlings or anyone else with authority to conduct these transactions.

CURLEY concealed some of the payments of RMI by coding payments made to herself, her husband, her business, her credit cards and vendors for CURLEY'S benefit, as being made to John Rawlings, legitimate vendors of RMI, and others.

On June 28, 2004, CURLEY caused \$230.77 to be wired from RMI's bank account at Valley Bank of Kalispell to her credit card account at Capital One Bank in Richmond, Virginia.

On April 20, 2004, CURLEY signed and filed a joint U.S. Individual Income Tax Return for 2003 stating that the joint taxable income for her and her husband was \$0 and the amount of tax due on that income was \$0.

During 2003, CURLEY fraudulently obtained taxable income from RMI and John Rawlings which was not disclosed on her federal income tax return, and that taxable income resulted in more federal income tax for the calendar year than was declared due on her income tax return.

The investigation was conducted by the Criminal Investigation Division of the Internal Revenue Service.

CARRIE A. HOOGE

On May 11, 2010, CARRIE A. HOOGE, a 57-year-old resident of Hamilton, was sentenced to a term of:

- Probation: 1 year

- Special Assessment: \$25
- Restitution: \$8,822

HOOGE was sentenced in connection with her guilty plea to failure to pay tax.

In an Offer of Proof filed by First Assistant U.S. Attorney Kurt G. Alme, the government stated it would have proved at trial the following:

CARRIE HOOGE and her husband owned BCH, Inc., which was a concrete business. HOOGE was the secretary/treasurer and handled all tax matters for the business.

A bookkeeper was hired in early 2003 for BCH. The bookkeeper prepared BCH's 941 Forms for the first three quarters of 2003. HOOGE signed and filed all three returns. However, HOOGE only made one timely deposit, and that was for the third quarter. When she realized the estimated employment taxes were not being timely deposited, the bookkeeper repeatedly told HOOGE to make the deposits.

Around the fall of 2003, HOOGE invited the bookkeeper to a meeting at which a presenter using the name Don Quixote outlined ways to avoid paying taxes. The bookkeeper informed HOOGE that the presenter was actually advocating tax fraud. The bookkeeper then stopped working for BCH, which was prior to completing the fourth quarter 2003 Form 941.

In 2004, the IRS sent a Notice of intent to Levy for failure to pay the outstanding balance. In 2005, after subsequent mailings informing HOOGE of the tax liability and related interest and penalties, HOOGE submitted two bad checks for over \$50,000 more than the outstanding liability, from an account that was open only one month the previous year and had only ever had a zero balance. The payment included the statement "accepted for accessed values Carrie Hooge authorized representative." The IRS tried to cash the checks and when they bounced, the IRS returned them with instructions to make the payment via certified check, cashier's check or money order. The IRS did not issue a refund. HOOGE then resubmitted the same bad checks to the IRS. Again, no improper refund issued.

In 2009, BCH filed several tax returns, including a 941 for the fourth quarter of 2003 showing wages in the amount of \$7,083 on which was reported withholding of federal income taxes of \$1,850 and FICA taxes of \$1,083 due and owing. Neither BCH nor HOOGE has ever paid the taxes.

HOOGE knew that she was obligated to pay the employment taxes for BCH for the fourth quarter of 2003, but she did not do so.

The investigation was conducted by the Criminal Investigation Division of the Internal Revenue Service.

MELISSA LYNN SEVER

On December 3, 2010, MELISSA LYNN SEVER, a 35-year-old resident of Butte, was sentenced to a term of:

- Prison: 24 months
- Special Assessment: \$200
- Restitution: \$342,441.10
- Supervised Release: 3 years

SEVER was sentenced in connection with her guilty plea to wire fraud and tax evasion.

In an Offer of Proof filed by Assistant U.S. Attorney Ryan M. Archer, the government stated it would have proved at trial the following:

SEVER worked full time for H & R Block in Butte as a bookkeeper from February 2008 until her embezzlement was discovered in March 2009. SEVER used her position at H & R Block to embezzle from the company in four ways. First, she improperly gained access to management's user ids and passwords and used that information to send unauthorized Automated Clearing House (ACH) payments to herself. Second, she increased her hours worked on several of her paychecks in order to receive larger paychecks than she was entitled to. Third, SEVER wrote checks from the company bank account for her personal benefit. Finally, she took and pocketed cash payments made to H & R Block by clients prior to making the company deposits.

SEVER admitted her theft to investigating agents. She admitted creating false accounting entries in the books and records of the business to hide the true nature of the transactions. She also admitted that the funds she embezzled should have been reported as income on her tax returns.

During 2008, SEVER embezzled approximately \$133,000. Her 2008 federal income tax return failed to report much of the embezzled income, and only included the increased wages she was not entitled to receive. The resulting tax loss from the unreported income is \$41,947 for the 2008 tax year.

The investigation was a cooperative effort between the Federal Bureau of Investigation and the Criminal Investigation Division of the Internal Revenue Service.

TODD JASON SNARR

On December 2, 2010, TODD JASON SNARR, a 46-year-old resident of Kalispell, was sentenced to a term of:

- Probation: 18 months
- Special Assessment: \$25

- Fine: \$500

SNARR was sentenced in connection with his guilty plea to unauthorized inspection of tax returns or return information.

In an Offer of Proof filed by Assistant U.S. Attorney Timothy J. Racicot, the government stated it would have proved at trial the following:

SNARR worked for the Internal Revenue Service from 1994 until 2010 as an Individual Taxpayer Advisory Specialist. On multiple occasions between January 3, 2006, and April 9, 2008, SNARR accessed the tax records of R.K.K. and S.P.C., both of whom have a personal relationship with SNARR, without authorization. SNARR admitted only that he accessed the returns or return information of S.P.C. without authorization. However, there is proof that SNARR also accessed R.K.K.'s information without authorization.

In July 2008, the Strategic Enforcement Division ("SED") of the Treasury Inspector General for Tax Administration ("TIGTA") reported that SNARR may have accessed the tax records of R.K.K. and S.P.C. without authorization. SED's discovery of SNARR'S conduct was the result of an initiative designed to identify taxpayer electronic refunds fraudulently diverted into the bank accounts of IRS employees or their spouses or dependents. SNARR became a target of the investigation because R.K.K.'s 2007 refund was designated to the same bank account as SNARR's 2007 refund.

SNARR's computer access and activities from January 2005 through June 2008 were audited as a part of the investigation, in order to determine whether SNARR obtained unauthorized access to tax records, also known as UNAX violations. The results of that audit revealed that SNARR had 294 potential UNAX violations during the operative time period. According to IRS guidelines, those accesses, if they were unauthorized, would constitute 49 violations of 18 U.S.C. § 1030(a)(2)(B) or 26 U.S.C. § 7213A, or both. Forty-three of those potential violations were for research, one was to abate a miscellaneous penalty and prevent the issuance of a notice pertaining to the taxpayer's installment agreement, one was to request a sanitized version of tax return information, and four were to revise the requirements of an installment agreement.

The investigation was conducted by the Treasury Inspector General for Tax Administration.